

Closing Package Training Fiscal Year 2016

May 12, 2016

State Controller's Office

Division of Statewide Accounting

Bureau of Reporting and Review

Contacts – 2016

Chris Stratton **332-8794**

Loans & Notes Receivable — Unearned Revenue
Accounts and Taxes Receivable — Grants Receivable — Independent
Audits

Christy Anderson **332-8765**

Capital Asset Questionnaire — Capital Assets — Capital Assets in Progress
Leases Payable and Receivable — Schedule of Expenditures of Federal
Awards

Ethan Draves **332-8713**

Miscellaneous— Long-term and Short-term Liabilities

Kenny Lock-Smith **332-8805**

Control Checklist — Cash — Investments

Roni Harlan **332-8792**

Interfund Payables — Attestation Letter — Subsequent Events

Tiffini LeJeune **332-8800**

Prepaid Expenses — Inventory — Accounts and Other Payables

General CAFR Email: cafr@sco.idaho.gov

Agenda

- ▶ General Information
- ▶ Why prepare a Comprehensive Annual Report (CAFR)
- ▶ CAFR Process
- ▶ GAAP Indicators
- ▶ In-depth look at Closing Packages (1 - 22)

General Information

- ▶ Generally Accepted Accounting Principles (GAAP)
- ▶ Comprehensive Annual Financial Report (CAFR)
- ▶ Your Input is Needed

Why Prepare a CAFR?

- ▶ Demonstrates accountability to citizens
- ▶ Provides information for decision makers
- ▶ Permits continued grants & federal funding
- ▶ Has a direct effect on the State's bond rating

CAFR Process

- ▶ Use STARS data to the extent possible
- ▶ Collect remaining year-end accounting information using closing packages
- ▶ Post the closing package data into a GAAP basis accounting system: GRS
- ▶ Enter information from outside audits
- ▶ Prepare financial statements & related notes
- ▶ Internal review
- ▶ Auditor review

Some Housekeeping

- ▶ Sign-on refresher
- ▶ You can view the prior three year's closing packages from the GAAP website
- ▶ Older packages must use the 'back door' on SCO website

Log on to www.sco.idaho.gov

 <p>Brandon D Woolf Office of the State Controller</p>	 <p>HOME Logon Help Desks About Us Contact Search</p>	
<p>Accounting Payroll Computer Services Training Public Information Transparent.Idaho Board of Examiners SSA 218 Agreement</p>	<p>What's New</p> <p>First Friday Fraud Facts</p>	
<p>Office of the State Controller 700 W. State St. P.O. Box 83720 Boise, ID 83720-0011 Phone: 208 334-3100</p>	<p>Controller's Welcome</p> <p>Welcome to our web page. It has been developed to create a more efficient and effective working government... Read More</p>	<p>Applications</p> <p></p> <p>About the Office</p> <p>Contact Information Duties of the State Controller Employment History Management Team National Boards & Committees State Boards & Committees</p>
<p>Privacy & Security Accessibility Related Links Access Idaho</p>		

Application Selection Menu

You will only be able to access those applications you have been authorized to use.

If you do not have authorization to enter an application that you wish to,
contact your agency security administrator.

[Change Password](#)

[Log Off](#)

[Change Question/Answer](#)

Welcome: Tiffini

[Declare State Surplus Property](#)

Board of Examiners

Declare State Surplus Property

[Employee Self Service](#)

Medical and Dental Enrollment, FSA, Direct Deposit,
Address, Deductions

[Form W-2](#)

Employee Form W-2

[GAAP Closing Packages](#)

Agency FYE Accrual Entries for the
State Comprehensive Annual Financial Report

[IBIS](#)

Idaho Business Intelligence System

State of Idaho Data Warehouse

[I-TIME](#)

Idaho Employee Time Entry System

[Online Reporting](#)

Agency Financial and Payroll Reports

[Pay Stubs](#)

Employee Pay Stubs

[Statewide Accounting System](#)

Adjustments, Budgetary, Cash Receipts, P-Card,
Payment Services, Req-PO, Travel Reimbursement,
Vendor Maintenance,
Vendor Remittance

Closing Package Menu

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Go to Previous Year Database:

- ▶ Closing packages
- ▶ Due dates & Contacts
- ▶ Working Papers
- ▶ General Instructions
- ▶ FAQ
- ▶ Prior Year Closing Packages
- ▶ Agencies
- ▶ Funds
- ▶ GAAP Indicators

CAFR FUND CLASSIFICATIONS FY2016

Updated **5/5/16**

Shaded fund number shows funds restricted on Government-wide SNP.

Blue font denotes a fund directly/manually entered into Engagement.

Orange font denotes Restricted by Enabling Legislation

Red font denotes a fund not used in CAFR.

Green font denotes fund that has been end-dated.

D45 Table

Fund		Fund Title	Engagement & IBIS			CAFR FUND
			Category	Group	Sub Group	
0401	A	Seminars And Publications	G	GG	GMF	General-Miscellaneous
0402	R	Laboratory Services	G	GS	SNR	SR-Ag and Natural Resources
0403	C	Loan and Grant Fund	G	GG	GMF	General-Miscellaneous
0408		Rehabilitation Services	G	GS	SMF	SR-Miscellaneous
0410	C	Public Recreation	G	GS	SNR	SR-Ag and Natural Resources
0418		Liquor Control	P	PE	ELQ	Enterprise-Liquor Division
0419		Lottery	N	NE	ELT	CAFR fund 1419
0420		College and University-Enterprise	N	NC	COL	CAFR fund 1200
0421		Correctional Industries Betterment Fund	P	PE	ECI	Enterprise-Correctional Industries
0422		Correctional Industries Farm Fund				DELETE
0424		Worker's Compensation-State Insurance F	N	NE	ESI	Not in CAFR
0425		Land And Building Rentals	G	GS	SNR	SR-Ag and Natural Resources
0426	A	Adaptive Aids And Appliances	G	GG	GMF	General-Miscellaneous
0450		Administration And Accounting Services	P	PI	IGS	Internal Service-General Services
0456		Federal Surplus Property	P	PI	IGS	Internal Service-General Services

Agencies Sorted by Agency Number

Agy Number	Agency Name	State Goal		Agy Number	Agency Name	State Goal
194	Division of Human Resources	10		503	Professional-Technical Education	40
195	Office of Species Conservation	10		504	Eastern Idaho Technical College	40
196	Commission on the Arts	10		511	Lewis-Clark State College	40
197	Wolf Control Board	60		512	Boise State University	40
198	Office of Drug Policy	10		513	Idaho State University	40
199	Office of Energy Resources	60		514	University of Idaho	40
200	Department of Administration	10		520	Public Broadcasting	40
210	Department of Agriculture	50		521	Idaho Commission for Libraries	50
215	Soil & Water Conservation Comm	50		522	Historical Society	50
220	Department of Commerce	50		523	Vocational Rehabilitation	40
230	Department of Correction	20		900	Public Utilities Commission	50
231	Correctional Industries	20		903	Catastrophic Health Care	30
232	Pardons and Parole Commission	20		905	Independent Living Council	40
240	Department of Labor	50		951	Health District I (Panhandle)	30
245	Department of Environmental Quality	60		952	Health District II (North Central)	30
250	Department of Finance	50		953	Health District III (Southwest)	30
260	Department of Fish and Game	60		954	Health District IV (Central)	30
270	Department of Health & Welfare	30		955	Health District V (South Central)	30
280	Department of Insurance	50		956	Health District VI (Southeastern)	30
285	Department of Juvenile Corrections	20		957	Health District VII (Eastern)	30
290	Transportation Department, Idaho	50		960	Idaho State Bar	10
300	Industrial Commission	50		962	Potato Commission	50
320	Department of Lands	60		964	Dairy Commission	50
322	Endowment Fund Investment Board	60	**	966	Wheat Commission	50
330	Idaho State Police	20		968	State Building Authority	10
	**Failed Funds				Outside Audit	
					Not part of CAFR	

GAAP Indicators

- ▶ Allow agencies to “flag” transactions required for the CAFR (on the STARS data entry screen)
- ▶ IBIS query can provide report of transactions
- ▶ DAFR 0227 also provides data

GAAP Indicators

Status

Invoice

Attachments

Distribute

Approval

Multi Proc

Reports

Invoice #

Invoice Date

Payment Date

Account #

Vendor

BAC7980

02/28/2011

02/28/2011

820521363 00

Doc #

PO #

Group BOB

DATABASE MANAGEMENT SERVICES INC

status Cost Distribution in Progress

3380 AMERICANA TERRACE STE 390

Total Amt

\$650.00

Inv Desc DATABASE UPGRADE

BOISE, ID 83706

Distributed Amt

\$650.00

Comments

3841311

Add Row

Clear All Distribution

Undo Updates

Template

*

Template Amt

0.00

Apply


* Press F3 for Lookup

	TC*	R	Ref Doc*	Sfx	BFY	Amt	Mod	Invoice Description	Index*	PCA*	Fund*	Dtl	SecA	Subs	DMI	GAAP	Loca
Del	Dup	230			2011	650.00		DATABASE UPGRADE	2544	01020	0001					T	

☒ Perform STARS Lookup

Fund Dtl Grant Phs Amount

0001 0001 0001 0001



All Closing Packages Submitted On-Time

		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Ag	104 OPE	☺									
	110 Judicial	☺		☺			☺		☺		
	130 Secretary of State	☺			☺	☺	☺	☺	☺		☺
	131 Secretary of State	☺		☺	☺	☺	☺	☺	☺		☺
	133 Secretary of State	☺		☺	☺	☺	☺	☺	☺	☺	☺
	140 SCO	☺	☺						☺	☺	
	160 Attorney General	☺	☺	☺	☺		☺		☺	☺	☺
	170 Supt of Public Instr.	☺	☺		☺	☺	☺	☺			
	189 Blind & Visually Impaired Comm	☺	☺			☺					
	197 Wolf Control Board	☺									
	210 Dept of Agriculture	☺	☺								
	435 Board of Vet Medicine	☺	☺	☺	☺	☺	☺				
	199 Office of Energy Resources	☺		☺		☺					
	200 Admin	☺	☺	☺				☺	☺		
	441 Hispanic Comm	☺	☺	☺			☺	☺			☺
Admin	215 Soil & Water Conserv Comm	☺	☺	☺							
	220 Dept of Commerce	☺	☺	☺	☺	☺	☺	☺	☺		
	231 Correctional Industries	☺	☺						☺	☺	
	260 Dept of Fish & Game	☺	☺	☺	☺	☺					

All Closing Packages Submitted On-Time

Agency	Agency Name	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
270	Dept of Health & Welfare	☺	☺	☺		☺					
280	Dept of Ins	☺			☺	☺		☺			
285	Dept of Juvenile Corr	☺	☺	☺	☺	☺	☺	☺	☺		
300	Industrial Commission	☺	☺	☺							
332	Racing Commission	☺				☺					
340	Dept of Parks & Rec	☺	☺	☺							☺
351	Tax Appeals	☺	☺	☺	☺	☺	☺		☺	☺	☺
352	Tax Commission	☺	☺	☺							
422	Bd of Acctcy	☺	☺	☺	☺	☺	☺		☺		
424	Bd of Prof Eng & Land Surveyors	☺	☺	☺		☺					☺
425	Board of Medicine	☺	☺	☺	☺		☺				
426	Board of Nursing	☺									
427	Bureau of Occup Lic	☺	☺	☺	☺		☺				
444	Div of Veteran's Services	☺	☺	☺	☺	☺	☺				☺
450	Div Bldg Safety	☺	☺	☺	☺			☺	☺	☺	
503	Prof - Tech Education	☺		☺							
522	Historical Society	☺		☺							
523	Vocational Rehabilitation	☺									
903	Catastrophic Health	☺	☺	☺				☺	☺		☺

Closing Packages

Forms used to provide year-end accrual information to prepare the CAFR

- ▶ Most cover a single area of accounting
- ▶ Generally report June 30 data only
- ▶ Complete only those packages that apply to your agency
- ▶ Keep working papers to support closing packages
- ▶ Submit applicable packages by the due date

**State Of Idaho
Office Of The State Controller
2016 GAAP Closing Procedures Manual**

**06 Prepaid Expenses
GL 1601**

Due Date: July 12

Complete this closing package only if the remaining balances of prepaid expenses at June 30 are \$50,000 or more per sub-object per fund. This closing package does not apply to inventories of materials, supplies, and other goods held for future use or sale (see Inventory Closing Package).

PURPOSE

The purpose of this closing package is to gather information regarding prepaid expenses involving state and nonstate vendors. This information will be used to prepare the State's Comprehensive Annual Financial Report (CAFR).

ACCOUNTING PRINCIPLES AND POLICIES

The State prepares its financial statements in accordance with Generally Accepted Accounting Principles (GAAP). GAAP relating to prepaid expenses are defined by:

Governmental Accounting Standards Board (GASB) Codification Section 1600.127; and
Section 8.78-8.80 of AICPA's Audit and Accounting Guide, State and Local Governments (2015 edition).

GAAP INDICATORS

If GAAP Indicators are used when processing transactions in STARS, the GAAP Indicator Report, DAFR0227, can be submitted in lieu of transcribing the information on the closing package.

<p>GAAP Indicator applicable to the Prepaid Expense Closing Package: P - Prepaid Expenses</p>

[Click here for a GAAP Indicator Explanation](#)

DEFINITION

Prepaid Expenses - Expenditures made to vendors during fiscal year 2016 or in prior fiscal years for services that will benefit periods beyond June 30, 2016.

06 Prepaid Expenses
GL 1601

Due Date: July 12

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

05/02/2016

Approved by (Approver):

Job Title:

Phone:

Date:

05/02/2016

Select here if this is a continuation of an already submitted Closing Package:

Main



Current Year Total:

Total amount of Prepaid Expenses reported in prior year's closing package:

\$0

(If prior year amount differs from current year by 10%, and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the comment section.)

Recalculate Variance

Variance:

Difference in %:

0

Difference in amount:

0

			Show Next Row	Remove Last Row
Services Description	Expenditure Subobject	Period of Services	Total Amount Paid	Remaining Prepaid Balance at June 30
			0	0
			Total Prepaid Expenses	\$0

Comments

Attach Supporting Documentation With this Button:

Attachment filename:

0

(For help with attaching documentation, please refer to the [Submission Instructions](#))

Save Draft

Save & Continue

Send Form to Approver

Timestamp

05/02/2016 11:33:37 AM

Audit Trail

TIFFINI LEJEUNE-140 - Created

Special Items

- ▶ Working Papers
 - ▶ May be asked to provide backup for specific closing packages
- ▶ Threshold Analysis
 - ▶ Will be asked to provide additional information for analysis
 - ▶ Send information to cafr@sco.idaho.gov

Review Questions

Review Question #01

Every agency must submit:

- a) Every closing package
- b) Only closing packages that the agency meets the threshold
- c) Closing packages that meet the threshold along with closing packages #1 Control Checklist, #2 Miscellaneous, #21 Attestation Letter, & #22 Subsequent Events

Review Question #02

When filling out any closing package, attachments can be submitted in lieu of entering data by hand

- ▶ True
- ▶ False

Review Question #03

GAAP Indicators are:

- a) Department store clearance tags
- b) Flags identifying specific transactions in STARS
- c) A way to identify which closing packages your agency should submit
- d) New reflective signposts installed by the Idaho Transportation Department

01 – Control Checklist

Objective: Indicates which closing packages you expect to submit.

- ▶ Questions correspond to the specific closing package numbers
- ▶ Submit closing packages with “Yes” responses by the due date
- ▶ Remember materiality levels

01 – Control Checklist

01 Control Checklist

Answer these questions for the Agency as a whole

FOR ALL AGENCIES WITH ONLY ONE FUND PLEASE ENTER FUND NUMBER BELOW.

Fund Number

0

1	Every agency must submit, by June 1 , a completed #1 Control Checklist Closing Package for all funds with <u>any</u> transactions during the fiscal year.	
2	Every agency must submit a completed #2 Miscellaneous Closing Package by July 6 . Note: Complete only one Miscellaneous Closing Package for the agency, covering all funds used by the agency.	
3a	Over the term of the lease, will the agency incur minimum lease payments with a present value at the beginning of the lease term totaling \$5,000 or more per capital lease for land, buildings, or equipment? If YES: Submit the completed #3a Capital Leases Payable Closing Package by July 11 .	<input type="radio"/> y <input type="radio"/> n

01 – Control Checklist

12	Based upon the answers you submit for the Capital Asset Questionnaire (Closing Package #7), you may or may not be required to submit the #12 Capital Asset Closing Package by July 28 .	
13	Based upon the answers you submit for the Capital Asset Questionnaire (Closing Package #7), you may or may not be required to submit the #13 Capital Assets in Progress Closing Package by July 28 .	
14	<p>At June 30, will any funds have interfund payables to other funds, for individual transactions of plus or minus \$5,000 or more?</p> <p>If YES: Submit the completed #14 Interfund Payables Closing Package (provided by the SCO) by August 8.</p> <p>Please provide the <u>name and e-mail address</u> of the person responsible for completing this closing package in the following Comments box:</p> <div></div>	<input type="radio"/> y <input type="radio"/> n
15a	<p>At June 30, will any fund have any unearned revenues for goods or services not yet provided totaling \$50,000 or more?</p> <p>If YES: Submit the completed #15a Unearned Revenue Closing Package by August 1.</p>	<input type="radio"/> y <input type="radio"/> n

For agencies with Multiple funds, please complete this section for questions that are fund-specific.

[illegible][illegible]

Need to Make a Change?

Did you answer “Yes” or “No” on the Control Checklist?

- ▶ If “Yes” on Control Checklist, send ONLY if you meet threshold
- ▶ If “Yes” on Control Checklist, but do not meet threshold, **email us at: cafr@sco.idaho.gov**
- ▶ If “No” on Control Checklist, but meet threshold, please submit a closing package
- ▶ If “No” on Control Checklist & you have nothing to report, DO NOT submit closing package

08 – Cash



Due Wednesday, July 13th

08 – Cash

- ▶ Objective: Collect information about undeposited cash, cash in outside bank accounts, and any petty cash not originating from the rotary fund.
- ▶ Deposits received at the **physical** location of the State Treasurer's Office (STO) **by 11:00 am** on the *last business day* of the fiscal year will be reported by the STO (Thursday, June 30, 2016)
- ▶ Deposits made **after** 11:00 am on June 30, 2016 **and** EFTs should be reported as 'Cash on hand' on Closing Package #08a – Cash Count Summary

08 Cash and Deposits in Outside Bank Accounts

GL 1002, 1003

Complete Form 8a - Cash, if cash on hand at June 30 is \$50,000 or more per fund.

Complete Form 8b - Deposits in Outside Bank Accounts, if cash in outside bank accounts at June 30 is \$50,000 or more per fund.

PURPOSE

The purpose of this closing package is to gather information regarding undeposited cash, cash in outside bank accounts, and any petty cash will be used to prepare the State's Comprehensive Annual Financial Report (CAFR).

ACCOUNTING PRINCIPLES AND POLICIES

The State prepares financial statements in accordance with Generally Accepted Accounting Principles (GAAP). GAAP requires the State's control at midnight on June 30. Governmental Accounting Standards Board (GASB) Statements No. 3 and 40 provide guidance for financial institutions.

The State Treasurer's Office (Treasurer) will provide data to the Office of the State Controller (SCO) regarding balances accounted for by **regarding outside bank accounts at June 30 and cash on hand that has not been deposited with the Treasurer's Office by 11:00 am**

GAAP INDICATORS

GAAP indicators applicable to the Cash Closing Package:

A - Receipt of Account Receivable Payment (whether or not the receivable is in STARS)

B - Receipt of an Interfund Due From Payment

Note: Cash does not include investments. Include all investments on Closing Package #10 - Investments.

COMPLETING THE FORM 8a - CASH

Only complete this form if amount of cash on hand at June 30 is \$50,000 or more per fund.

1. Complete the header information.
2. If amount reported in prior year differs from the current year by 10%, and the change equals or exceeds \$100,000, p
3. Enter the date the cash was received.
4. Enter the STARS transaction code used to record the receipt of cash.
5. Enter the revenue/expenditure subobject used to record cash received by June 30, but deposited after June 30.
6. Enter the amount of cash received by June 30, but deposited after June 30. The total will sum automatically.
7. Enter the amount of cash received and deposited by June 30, but posted by the bank after June 30.
8. Enter the amount of cash that was restricted, if applicable.

COMPLETING THE FORM 8b - Deposits in Outside Bank Accounts

Only complete this form if bank balance at June 30 is \$50,000 or more per fund.

1. Complete the header information.
2. If amount reported in prior year differs from current year by 10% and the change equals or exceeds \$100,000, pleas
3. Enter the name of the financial institution.

08 – Cash

- ▶ Complete Closing Package #08a – Cash Count Summary if you have cash on hand at June 30, that is \$50,000 or more per fund. Cash on hand includes:
 - ▶ Cash received prior to fiscal year-end not deposited with the STO **by 11:00 am** on Thursday, June 30, 2016
 - ▶ Balances in petty cash & change funds on hand at June 30
 - ▶ Cash on hand not originating from the rotary fund
 - ▶ Cash your agency holds as a trustee or agent for others
 - ▶ Cash received & deposited at the bank by June 30, but posted by the bank after June 30.

At June 30, 2016

Save & Exit Save & Continue Send Form to Approver

Agency Code: 140 Name of Agency: State Controller's Office Current Status: Temporary

Fund Number: Fund Name:

Prepared by (Originator): Job Title: Phone: Date: 04/29/2016

Approved by (Approver): Job Title: Phone: Date: 04/29/2016

Select here if this is a continuation of an already submitted Closing Package: Main

Current Year Total: Total Amount Reported in Prior Year:

(If prior year amount differs from current year by 10%, and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the Comments Box.)

Recalculate Variance

Variance: Difference in %: Difference in amount:

Date of Receipt	STARS Transaction Code	Revenue Sub Object	Amount	Amount of Restricted Cash at June 30
			0	
		TOTAL:	0	

Comments Box

Comments

The reason for the variance is because we sold abc & received cash on June 30 that was not deposited until July 1, 20xx.

08b – Deposits in Outside Bank Accounts

- ▶ Complete Closing Package #8b – Bank Account Summary, if cash in outside bank accounts meets the \$50,000 threshold per fund. Deposits in outside bank accounts include:
 - ▶ Deposits with financial institutions that are not accounted for by the STO
 - ▶ Certificates of deposit
 - ▶ Deposits your agency holds in a trustee capacity or as an agent for others

08b – Deposits in Outside Bank Accounts

08b Deposits in Outside Bank Accounts GL 1002

	Deposit #1	Deposit #2
Name of Financial Institution	<input type="text"/>	<input type="text"/>
Bank Account Number	<input type="text"/>	<input type="text"/>
U.S. Dollar Amount of Bank Account Balance Denominated in a Foreign Currency	<input type="text"/>	<input type="text"/>
Revenue Subobject	<input type="text"/>	<input type="text"/>
Bank Balance at June 30	<input type="text"/>	<input type="text"/>
Book Balance at June 30	<input type="text"/>	<input type="text"/>

08b – Deposits in Outside Bank Accounts

	Deposit #1	Deposit #2
Amount of Book Balance that is Restricted at June 30	<input type="text"/>	<input type="text"/>
Amount of Bank Balance Insured by FDIC or Other Depository Insurance at June 30	<input type="text"/>	<input type="text"/>
If Deposit is NOT Held in the Agency's Name, Provide the Name of the Account Holder	<input type="text"/>	<input type="text"/>
If the Account is Collateralized:		
Provide the Amount of Collateral	<input type="text"/>	<input type="text"/>
If Collateral is NOT Held in the Agency's Name, Provide the Name of the Account Holder	<input type="text"/>	<input type="text"/>
Check One Box That Indicates Who has Custody of the Collateral	<input type="radio"/> Agency <input type="radio"/> Agency's Agent <input type="radio"/> Bank's Trust Dept. or Agent	<input type="radio"/> Agency <input type="radio"/> Agency's Agent <input type="radio"/> Bank's Trust Dept. or Agent



**Federal Deposit
Insurance Corporation**

Each depositor insured to at least \$250,000 per insured bank

10 – Investments



Objective: Provide information regarding your agency's investments as of June 30

10 – Investments

Do **Not** Include These Investments

- ▶ State Treasurer's Idle Pool Fund
- ▶ State Treasurer's Diversified Bond Fund
- ▶ State Treasurer's Local Government Investment Pool
- ▶ Certificates of Deposit

10 – Investments

Most Common Investments

- ▶ Marketable securities
- ▶ Money market accounts
- ▶ Bonds
- ▶ Mutual Funds
- ▶ Repurchase agreements

10 – Investments

10 Investments GL 1203, 1205, 1206, 1210, 1309

Due Date: July 14

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:
140

Name of Agency:
State Controller's Office

Current Status:
Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

04/29/2016

Approved by (Approver):

Job Title:

Phone:

Date:

04/29/2016

Select here if this is a continuation of an already submitted Closing Package:

Main

	Investment #1	Investment #2	Investment #3	Investment #4
Name of Financial Institution				
Type of Investment				
Level of Input	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3
Valuation Technique				
Identifying Number				
Date of Purchase				

10 – Investments

New for 2016: GASB 72

- ▶ New Definitions
- ▶ Valuation Techniques
- ▶ Fair Value Measurement Hierarchy

10 – Investments

New Definitions

Exit Price - The price that would be received to sell an asset or paid to transfer a liability.

Fair Value - The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investment – A security or other asset that (a) a government holds primarily for the purpose of income or profit and (b) has present service capacity based solely on its ability to generate cash or to be sold to generate cash.

Unit of Account - The level at which an asset or a liability is aggregated or disaggregated for measurement, recognition, or disclosure purposes.

Valuation Techniques:

Market Approach - A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (similar) assets, liabilities, or groups of assets and liabilities.

Cost Approach - A valuation technique that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

Income Approach - A valuation technique that converts future amounts (for example, cash flows or income and expenses) to a single current (discounted) amount.

	Investment #1	Investment #2	Investment #3	Investment #4
Name of Financial Institution	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Type of Investment	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Level of Input	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3
Valuation Technique	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Fair Value Measurement Hierarchy

Level 1 Inputs - Quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date.

Level 2 Inputs - Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3 Inputs - Unobservable inputs for an asset or liability.

	Investment #1	Investment #2	Investment #3	Investment #4
Name of Financial Institution	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Type of Investment	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Level of Input	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3	<input type="radio"/> Level 1 <input type="radio"/> Level 2 <input type="radio"/> Level 3
Valuation Technique	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

10 – Investments

Investments Acquired this FY	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Investments Sold this FY	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Investment Fair Value at June 30	0 <input type="text"/>	0 <input type="text"/>	0 <input type="text"/>	0 <input type="text"/>
Amount that is restricted as of June 30. (See Definitions)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Accrued Earnings at June 30				
Amount to be Received by Aug. 31	<input type="text"/> 0	<input type="text"/> 0	<input type="text"/> 0	<input type="text"/> 0
Amount to be Received after Aug. 31	<input type="text"/> 0	<input type="text"/> 0	<input type="text"/> 0	<input type="text"/> 0
Provide the investment's credit quality rating. (See Definitions) If investment is unrated, please enter "unrated."	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

10 – Investments

Land and Real Estate Endowments

Does your agency have any land or other real estate held for investments by endowments?

☐ Yes ☐ No

If yes, please include anything that is held in permanent endowments, term endowments, or payment funds by your agency. Do not include land held by the Department of Lands or the Endowment Fund Investment Board. Land and other real estate held as investments by endowments must be disclosed per GASB Statement No. 52.

If your agency has land or other real estate **held for investment purposes** that is recorded as a capital asset in STARS or reported on the Capital Asset Closing Package, please provide details in the Comments Box.

	Investment #1	Investment #2	Investment #3
Property Identifier	<input type="text"/>	<input type="text"/>	<input type="text"/>
Fund	<input type="text"/>	<input type="text"/>	<input type="text"/>
FMV as of June 30	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Change in value from prior period	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Method used for determining FMV	<input type="text"/>	<input type="text"/>	<input type="text"/>

Derivative Instruments

Does your agency have any derivative instruments?

☐ Yes ☐ No

If yes, click on the links for the [instructions](#) and spreadsheet [spreadsheet](#). Fill out the spreadsheet per instructions, rename, and attach to the Investments Closing Package before submitting.

10 – Investments

- ▶ \$100,000 threshold per fund
- ▶ Due Thursday, July 14th

Review Questions

Review Question #04

Investments should be reported on Closing Package #08 - Cash.

- ▶ True
- ▶ False

Review Question #05

The three valuation technique approaches are?

- a) Market, cost, and income.
- b) Market, cost, and fair value.
- c) Fair value, cost, and income
- d) Fair value, cost, and sampling

Review Question #06

Certificates of Deposit (CDs) should be reported on Closing Package #08 - Cash.

- ▶ True
- ▶ False

Review Question #07

Level 3 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

- ▶ True
- ▶ False

Review Question #08

What is the minimum reporting threshold per fund for Closing Package #10 - Investments?

- a) \$50,000
- b) \$1
- c) \$100,000
- d) The Investments closing package does not have a threshold since my agency does not report investments

Review Question #09

Which one of the following is not an impact of GASB 72.

- a) New Definitions.
- b) Fair Value Measurement Hierarchy.
- c) Disclosure of Custodial Credit Risk
- d) Disclosure of Valuation Techniques

02 – Miscellaneous

- ▶ Objectives:
 - ▶ To gather information that does not warrant a separate closing package.
 - ▶ To compile disclosures for the Notes to the financial statements .
- ▶ NO new Questions!

02 – Miscellaneous

- ▶ Litigation
- ▶ Related Party Transactions
- ▶ Commitments
- ▶ Component Units
- ▶ Extraordinary or Special Costs
- ▶ Pollution Remediation
- ▶ Post-Employment Benefits

02 – Miscellaneous

► Due Wednesday, July 6

05 – Long-Term Liabilities and Short-Term Debt

Objective: Gather information on long-term liability short-term debt transactions involving vendors other than state entities

05 – Long-Term Liabilities and Short-Term Debt

Long-term liabilities include the following:

- ▶ Bonds payable
- ▶ Notes payable for a period in excess of one year
- ▶ Claims & Judgments
- ▶ Bonds authorized but not yet issued
- ▶ Conduit debt
- ▶ Policy claim liabilities

05 – Long-Term Liabilities and Short-Term Debt

Short-term Debt includes:

- ▶ Anticipation notes
- ▶ Lines of credit
- ▶ Similar loans

05 – Long-Term Liabilities and Short-Term Debt

- ▶ Contracts Payable **include** software licensing agreements (but **NOT** software maintenance contracts)
 - ▶ Software maintenance contracts (\$500,000 or more) should be reported on the Closing Package #2 - Miscellaneous, Question #7, for long-term commitments
- ▶ \$50,000 threshold per fund
- ▶ Due Tuesday, July 12

Review Questions

Review Question #10

The Closing Package #02 - Miscellaneous is used to determine which closing packages the agency will submit.

- ▶ True
- ▶ False

06 – Prepaid Expenses

Expenditures for services that will benefit future periods beyond June 30

Include (but not limited to):

- ▶ Rent
- ▶ Insurance
- ▶ Telephone
- ▶ Maintenance agreements

06 - Prepaid Expenses - Prorating Example 1

Multi-year contract (2 years)

Total cost: \$ 810,000

Contract start date: 1 July 2015

Contract end date: 30 June 2017

Prepaid to report in 2016: \$405,000

Contract begins/ends at start/end of fiscal year

06 - Prepaid Expenses - Prorating Example 2

Multi-year contract (27-months)

Contract start date: 1 August 2015

Contract end date: 31 October 2017

Total contract cost \$810,000

Expensed to date (1 Aug 14 – 30 Jun 15):

\$30K per month ($\$810\text{K}/27$) x 11 months (\$330,000)

Remaining 1 Jul 2016– 31 Oct 2017:

Prepaid to Report \$480,000

06 Prepaid Expenses
GL 1601

Due Date: July 12

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

05/02/2016

Approved by (Approver):

Job Title:

Phone:

Date:

05/02/2016

Select here if this is a continuation of an already submitted Closing Package: Main

Current Year Total:

Total amount of Prepaid Expenses reported in prior year's closing package:

\$0

(If prior year amount differs from current year by 10%, and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the comment section.)

Recalculate Variance

Variance:

Difference in %:

0

Difference in amount:

0

			Show Next Row	Remove Last Row
Services Description	Expenditure Subobject	Period of Services	Total Amount Paid	Remaining Prepaid Balance at June 30
			0	0
			Total Prepaid Expenses	\$0

06 – Prepaid Expenses

- ▶ \$50,000 threshold per sub-object, per fund
- ▶ Threshold based on remaining balance
- ▶ Remember to look at prior-year transactions
- ▶ Applies to all funds
- ▶ Due Tuesday, July 12

09 – Inventory

Objective: Inventory held as of June 30

- ▶ Applies to all funds
- ▶ Supplies/goods purchased & not used by June 30
 - ▶ Merchandise held for sale
 - ▶ Manufacturing supplies & inventory
 - ▶ Harvested crops & livestock
 - ▶ Materials & supplies for agency use

At June 30, 2015

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

05/07/2015

Approved by (Approver):

Job Title:

Phone:

Date:

05/07/2015

Select here if this is a continuation of an already submitted Closing Package:

Main 

Current Year Total:

Amount reported in Prior Year:

(If prior year amount differs from current year by 10%, and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the comment section.)

Recalculate Variance

Variance:

Difference in %:

0

Difference in amount:

0

Date of physical count:

Did your inventory valuation method change from last year? ☐ Yes ☐ No

If YES, state method used last year:

Show Next Row

Remove Last Row

Inventory
Valuation
Method

Description

Expenditure Subobject

Total

enForm

0

09 – Inventory

- ▶ \$50,000 threshold per fund
- ▶ Due Wednesday, July 13

16 – Accounts Payable & Other Payables

Objective: To record amounts owed

- ▶ For goods or services provided by vendors other than state entities on or before June 30, but **not** paid until after June 30
- ▶ To non-state entities at June 30 for distributions & other payables not yet paid, that may not be for a good or service (e.g. ITD – distributes fuel tax to counties or highway districts)
- ▶ Due Monday, August 15

16 – Accounts Payable & Other Payables

- ▶ Complete this package if the total Accounts Payable, by fund, exceeds \$50,000 at June 30
- ▶ Complete a separate form for each fund
- ▶ Include contract retentions (do not include commitments for goods or services not received by June 30)
- ▶ Alternatives to completing form:
 - ▶ Submit your information on a spreadsheet
 - ▶ Run an IBIS query, export to a spreadsheet & attach to the closing package
 - ▶ Attach *GAAP Indicator Report* (the most commonly used GAAP indicators for accounts payable are “T” & “X”)

16 – Accounts Payable & Other Payables

Please use subobjects, not summary objects

EXP SUB OBJ	EXP SUB OBJ DESC	EXP OBJECT CODE	EXP SUM OBJECT CODE	GOVT'L CLASS	PROP CLASS
	OPERATING EXPENSES (OBJECT)	5000		1 0	500
	COMMUNICATION COSTS (SUMMARY OBJ)	5000	5001	1 0	500
5010	MEDIA	5000	5001	1 0	500
5020	POSTAL & MAIL	5000	5001	1 0	500
5023	EXPRESS MAIL / MESSENGER	5000	5001	1 0	500
5027	VOICE OVER INTERNET (VOIP)-STATE OWNED/OPERATED	5000	5001	1 0	500
5028	VOIP HOSTED	5000	5001	1 0	500
5029	DATA LINE CHARGES	5000	5001	1 0	500
5030	PHONE/FAX LOCAL LINE & EQUIPMENT CHARGES	5000	5001	1 0	500
5031	PHONE/FAX LONG DISTANCE	5000	5001	1 0	500
5032	RADIO EQUIPMENT - MOBILE RADIO	5000	5001	1 0	500
5033	CELLULAR/WIRELESS VOICE SERVICE	5000	5001	1 0	500
5034	TELEPHONE 800 SERVICE	5000	5001	1 0	500
5035	AUDIO/VIDEO CONFERENCE CALLS	5000	5001	1 0	500
5036	RADIO EQUIPMENT - MICROWAVE	5000	5001	1 0	500

16 Accounts Payable and Other Payables
GL 2301, 2203, 2304

Due Date: August 15

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

05/02/2016

Approved by (Approver):

Job Title:

Phone:

Date:

05/02/2016

Select here if this is a continuation of an already submitted Closing Package:

Main



Current Year Total:

Total Accounts Payable and Other Payables Reported in Prior Year Closing

Package:

(If prior year amount differs from current year by 10%, and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the comment section.)

Recalculate Variance

Variance:

Difference in %:

Difference in amount:

0

0

		Show Next Row	Remove Last Row
Expenditure Subobject	Is Amount Encumbered? <input checked="" type="checkbox"/> *	Is Amount for Contract Retentions? <input checked="" type="checkbox"/> *	Amount Due at June 30
	<input type="checkbox"/> *	<input type="checkbox"/> *	0
	Totals		\$0

*For Governmental Funds **Only**

Review Questions

Review Question #11

Prepaid amounts should be prorated:

- a) Never
- b) By year
- c) By month
- d) By day
- e) B, C, or D; whichever is most correct

Review Question #12

Which closing package has a threshold that is reported by sub-object?

- a) Closing Package #15 - Unearned Revenue
- b) Closing Package #04 - Leases Receivable
- c) Closing Package #06 – Prepaid Expenses
- d) Closing Package #18 - Grants Receivable

Review Question #13

Distributions should NOT be included in Closing Package #16 - Accounts Payable because they are not for goods or services.

- ▶ True
- ▶ False

Review Question #14

When filling out the closing packages, using a summary object is just fine.

- ▶ True
- ▶ False

Leases – Looking Ahead

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DOCUMENTS FOR PUBLIC COMMENT

1. ***Leases***

(Comment Deadline: May 31, 2016)

(Exposure Draft)

January 25, 2016 (Approved by the Board)

The full text of the GASB's proposed standards is available to download below. Subscribers to [The GASB Subscription](#) receive special email notifications about proposals immediately upon their release.

PROVIDING WRITTEN COMMENTS

Any individual or organization that wishes to provide written comments on GASB documents for public comment is encouraged to do so by following the instructions provided in the Request for Written Comments section of each of the downloadable documents listed below. Comments should not be submitted directly through the website.

PROJECTS

[Current Projects & Pre-Agenda Research](#)

[Technical Plan](#)

[Documents for Public Comment](#)

[Comment Letters](#)

[Recent Meeting Minutes and Tentative Board Decisions](#)

Leases – What are they?

A lease is

- ▶ an agreement
- ▶ conveying the right to use
- ▶ property, plant, or equipment
 - ▶ (land and/or depreciable assets)
 - ▶ usually for a stated period of time.

Agreement should be written!

Leases – What does **not** qualify?

- ▶ Does **not** include:

- ▶ Agreements to contracts for services that do not transfer the right to use property, plant, or equipment from one contracting party to the other.
- ▶ However, agreements that do transfer the right to use property, plant, or equipment meet the definition of a lease even though substantial services by the lessor may be called for in connection with the operation or maintenance of such assets.

Leases – What does **not** qualify?

► Does **not** include:

- Agreements concerning the rights to explore for or to exploit natural resources such as oil, gas, minerals.
 - These type of agreements are possibly intangible assets – land use rights.
- Licensing agreements for items such as patents and copyrights.
 - These type of agreements are possibly intangible assets or investments.

I have a lease... Now what?

Classify the lease

Lessee standpoint

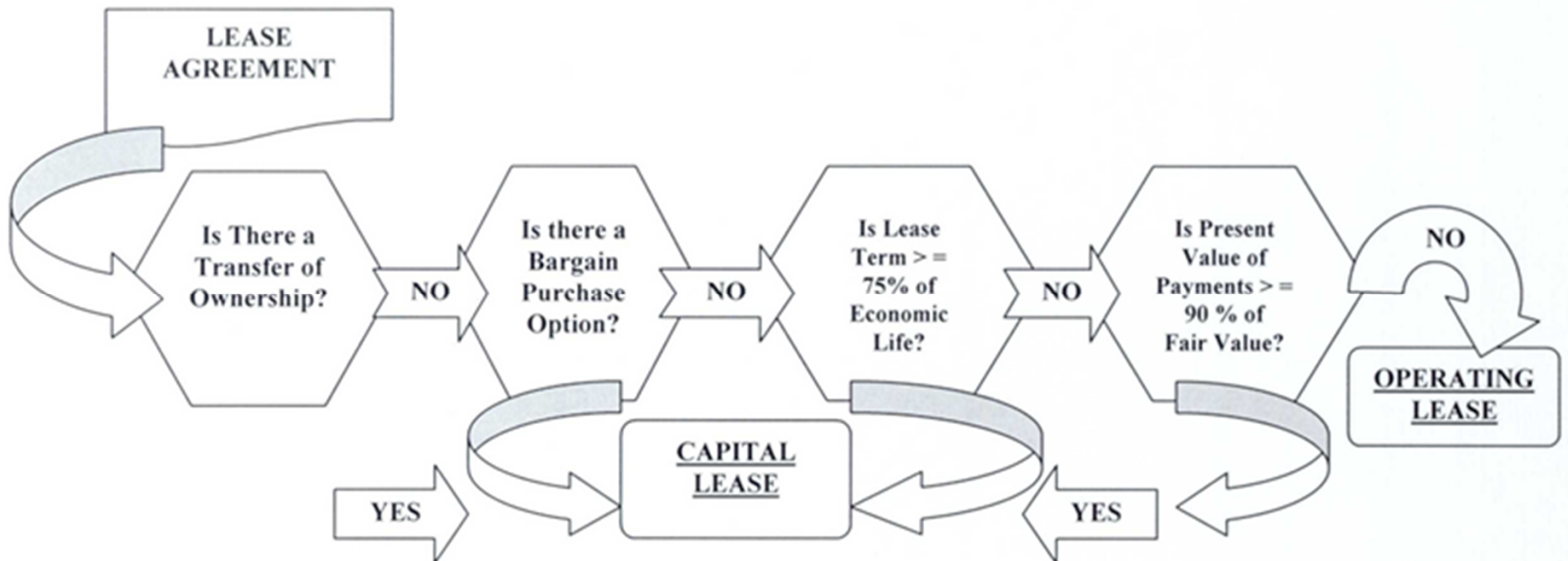
- Capital
- Operating

Lessor standpoint

- Direct financing
- Operating

Capital Lease Criteria

- ▶ Lease that transfers substantially all of the benefits & risks of property ownership
- ▶ Meets one or more of the following criteria:



Amort Template Cap Lease.xlsx [Read-Only] - Microsoft Excel									
File Home Insert Page Layout Formulas Data Review View Add-Ins Acrobat Engagement									
Clipboard Font Alignment Number Styles Cells Editing									
C10 fx 0									
A	B	C	D	E	F	G	H	I	
1	Enter Values								
2									
3	Number of Total Payments	360							
4	Interest Rate	5.75%							
5	Payment Amount (enter as a negative because payment is going out; If a portion of your payment is for executory costs such as maintenance or insurance, then exclude that portion from the amount you input here.)	\$ (900.00)							
6	Future Value - Leave as 0	0							
7	Executory Costs (enter as negative because payment is going out; Input 0 if no part of your payment goes towards executory costs)								
8	Date of First Payment	6/1/2015							
9	Number of Payments per year	12							
10	Enter 1 if payment is up front or 0 if payment is at the end of the service period.	0							
11									
12	Date of Payment	Payment #	Executory Costs	Payment Amount	Interest	Principal	Balance		
13	6/1/2015	1	\$ -	\$ 900.00	\$ 738.98	\$ 161.02	\$154,061.37		
14	7/1/2015	2	\$ -	\$ 900.00	\$ 738.21	\$ 161.79	\$153,899.58		
15	8/1/2015	3	\$ -	\$ 900.00	\$ 737.44	\$ 162.56	\$153,737.02		
16	9/1/2015	4	\$ -	\$ 900.00	\$ 736.66	\$ 163.34	\$153,573.67		
17	10/1/2015	5	\$ -	\$ 900.00	\$ 735.87	\$ 164.13	\$153,409.55		
18	11/1/2015	6	\$ -	\$ 900.00	\$ 735.09	\$ 164.91	\$153,244.64		
19	12/1/2015	7	\$ -	\$ 900.00	\$ 734.30	\$ 165.70	\$153,078.93		
20	1/1/2016	8	\$ -	\$ 900.00	\$ 733.50	\$ 166.50	\$152,912.44		

Note: Fair Value of the equipment is \$170,000 (90%=\$153,000)

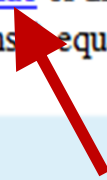
Present Value
\$154,222.39

DEFINITIONS

Bargain Purchase Option – A provision allowing the lessee to purchase the leased property for a price that is significantly lower than the expected fair value of the property at the date the option becomes exercisable. The difference between the option price and the expected fair market value must be large enough to make the exercise of the option reasonably assured. A bargain purchase option and guaranteed residual value are mutually exclusive; both cannot exist in the same lease agreement.

Bargain Renewal Option – A provision allowing the lessee to renew the lease for a rental that is lower than the expected fair rental at the date the option becomes exercisable. The difference must be great enough to make the option to renew reasonably assured.

Capital Lease – A lease agreement is classified as a capital lease when substantially all of the risks and benefits of ownership are assumed by the lessee. A capital lease is, for the most part, viewed as an installment purchase of property rather than the rental of property. A lease is required to be capitalized if any one of the following four criteria or tests is a characteristic of the lease contract:

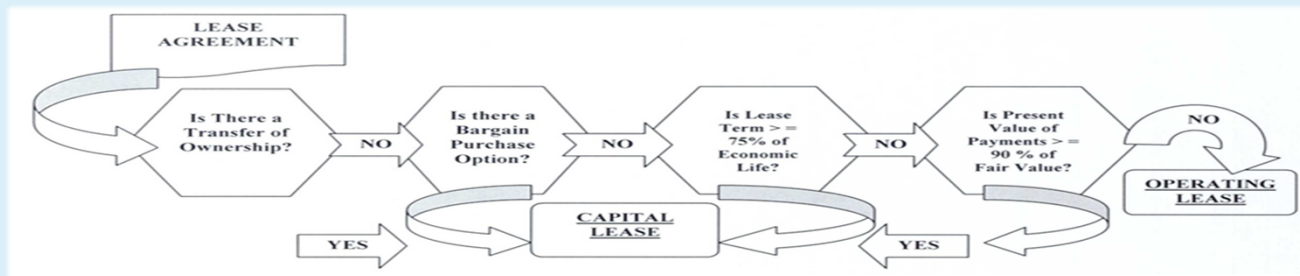
- **Transfer of Ownership Test.** The lease transfers ownership of the property to the lessee by the end of the lease.
 - **Bargain Purchase Option Test.** The lease contains a bargain purchase option, which is a provision allowing the lessee to purchase the leased property for a price that is significantly lower than the expected fair value of the property at the date the option becomes exercisable.
 - **Economic Life Test.** The lease term is equal to 75% or more of the estimated economic life of the leased property. The lease term is generally considered to be the fixed noncancelable term of the lease, unless a bargain renewal option is allowed. Then, the term of the lease may be extended.
 - **Recovery of Investment Test.** The present value of the minimum lease payments at the inception of the lease, (excluding executory costs; i.e., insurance, maintenance, and tax expenses) equals at least 90% of the fair market value of the leased property.
- 

Direct Financing Lease Additional Requirements

- ▶ Must meet one of the four capital lease criteria & **both** of the following criteria:
 - Collectibility of the minimum lease payments is reasonably predictable
 - Important uncertainties does not exist concerning the amount of non-reimbursable costs yet to be incurred by the lessor under the lease
 - Estimating executory costs does not constitute an important uncertainty

Operating Lease Criteria

- ▶ Lessee – Does not meet one of the four capital lease criteria



- ▶ Lessor – Does not meet one of the four capital lease criteria or one of the two additional criteria for a direct financing lease

Leases – Four Closing Packages

Leases Payable

▶ 03a Capital Leases Payable

- \$5,000 threshold per lease...total payments over lease term

▶ 03b Operating Leases Payable

- \$50,000 threshold per lease...total payments over lease term

Leases Receivable

- \$10,000 threshold per lease...total payments receivable over the lease term)

▶ 04a Operating Leases Receivable

▶ 04b Capital (Direct Financing) Leases Receivable

03a – Capital Leases Payable

- ▶ The State must record an asset & a liability in the CAFR
- ▶ The State must disclose future payments less an amount for interest

03a Capital Leases Payable

Due Date: July 11

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Prepared by (Originator):

Job Title:

Phone:

--	--	--

Date:

05/02/2016

Approved by (Approver):

Job Title:

Phone:

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Date:

05/02/2016

Select here if this is a continuation of an already submitted Closing Package: Main

For all leases NOT reported in the prior year's closing package, please attach a copy of the lease agreement and amortization (payment) schedule along with the New Capital Lease Questionnaire. If the amortization schedule has changed, please attach a new schedule with the reason for the change in the Comments box.

	Lease 1	Lease 2	Lease 3
(1) Name of lessor	<input type="text"/>	<input type="text"/>	<input type="text"/>
(2) Description of the leased asset	<input type="text"/>	<input type="text"/>	<input type="text"/>
(3) FAS property number (s) or NIF	<input type="text"/>	<input type="text"/>	<input type="text"/>
(4) Lease term	<input type="text"/>	<input type="text"/>	<input type="text"/>
(5) # Payments remaining at June 30	<input type="text"/>	<input type="text"/>	<input type="text"/>
(6) Total interest paid for the fiscal year	<input type="text"/>	<input type="text"/>	<input type="text"/>
(7) Fund number	<input type="text"/>	<input type="text"/>	<input type="text"/>
(8) Expenditure subobject used for interest portion	<input type="text"/>	<input type="text"/>	<input type="text"/>

COMPLETING THE 3a CAPITAL LEASES PAYABLE CLOSING PACKAGE

If your agency has multiple assets under a single capital lease contract, disclose the lease if the lesser of the present value of the minimum lease payments or the fair value of the leased property is \$5,000 or more.

Please attach a copy of the lease agreement and amortization (payment) schedule for all leases not reported in the prior year's closing package or if any changes have been made to the schedule. Please include the reason for the change in the Comments box.

Also fill out and attach the New Capital Lease Questionnaire for new capital leases being reported.

Do not report leases with other state agencies or the Idaho State Building Authority (a blended component unit). Do report leases with discrete component units, such as the Idaho Fish and Wildlife Foundation and the foundations of the colleges and universities.

Terms in the instructions below that are **bold** have been included in the Definitions section above. A good understanding of the meaning of those terms is very important for purposes of this closing package.

New Capital Lease Questionnaire	
1	Criterion met requiring lease to be classified as a capital lease: 1) the lease transfers ownership of the property to the lessee by the end of the lease term, 2) the lease contains a bargain purchase option, 3) the lease term is equal to 75 percent or more of the estimated economic life of the leased property, or 4) the present value at the beginning of the lease term of minimum lease payments equals or exceeds 90 percent of the fair value of the leased property at the inception of the lease
2	If capital lease because of criterion 1 or 2, what is the estimated useful life of the asset(s)? Do not answer if capital lease because of criterion 3 or 4.
3	Name of lessor
4	Description of the leased asset
5	FAS property number or NIF (Not in FAS)
6	Major class(es) of capital assets: 1) land, 2) buildings and improvements to buildings, 3) improvements other than buildings, 4) machinery, equipment, and other
7	Inception date (mm/dd/yyyy)
8	Fair value of the property to the lessor at the inception of the lease
9	Lease term (mm/dd/yyyy - mm/dd/yyyy)
10	Date agency took possession of asset(s)
11	Payment frequency: 1) monthly, 2) quarterly, 3) annually, 4) bi-annually, 5) other (identify)
12	Payments made 1) beginning of periods, 2) end of periods, or 3) other than beginning or end (irregular)
13	Total # payments at beginning of the lease
14	Annual interest rate
15	Fixed or varied payments
16	If fixed payments, fixed payment amount
17	Portion of each payment attributed to executory lease costs
18	Down payment
19	Bargain purchase price, if agreement contains a bargain purchase option
20	Bargain date, if agreement contains a bargain purchase option
21	Guaranteed residual value
22	Fund number
23	Subobject to be used for interest portion
24	Subobject to be used for principal portion
25	Is the lease a sale-leaseback transaction?

03b – Operating Leases Payable

- ▶ The State must disclose lease obligations for land and/or depreciable property
 - ONLY REPORT WHAT IS UNDER CONTRACT
 - Do NOT Project out further!!!
 - \$50,000 threshold per lease

03b – Operating Leases Payable

If your agency has multiple operating leases, combine information regarding operating leases for all governmental funds on one form and operating leases for all proprietary funds on a second form, rather than submitting an individual form for each fund.

Total Operating Lease Expenditures Reported in Prior Year's Closing Package:

{Prior year's Total (operating lease expenditures) Question 1d}

FAS Property Number (including component number) or NIF:

1. All operating leases with nonstate entities in effect during the fiscal year that meet the \$50,000 threshold:

Report the total rental expenditures for all operating leases with **nonstate entities** for the current fiscal year being reported. Rental payments under leases with terms of one month or less that were not renewed need not be included.

A) Minimum rentals

B) Add: Contingent rentals

C) Less: Sublease rentals

D) Total (operating lease expenditures)



04a – Operating Leases Receivable

The State must disclose:

- ▶ future payments to be received
- ▶ costs & accumulated depreciation on leased assets

04b – Direct Financing Leases Receivable

The State must record:

- ▶ the gross investment in the lease
- ▶ the difference between the gross investment in the lease & the cost of the leased property as unearned income

The State must disclose:

- ▶ the components of the net investment in the lease
- ▶ future minimum lease payments to be received

All Due Monday, July 11

Review Questions

Review Question #15

If a lease is about to expire, the proper reporting on the Lease package is:

- a) Report nothing beyond the end of the current lease.
- b) If the lease is reasonably expected to be renewed, report expected terms.
- c) Report amounts for each of the next five years & in five-year increments for the next 20 years.

Capital Assets

To FAS or Non-FAS, that is the question...

~If Shakespeare was at SCO~

Intra-Entity Sales & Transfers of Capital Assets

▶ Includes:

- Transfer or sale between agencies
- Construction In Progress (CIP) projects completed by (Division of Public Works) DPW
- Buildings conveyed by Idaho State Building Authority

▶ See FAS Manual for updated transfer instructions

Intra-Entity Sales & Transfers of Capital Assets

▶ Information needed if one or either is NOT on FAS:

- Name of the other agency
- Original Useful Life
- Original Cost
- Total depreciation
- Original In-Service Date
- Total book value

▶ Both agencies on FAS:

- Must add back to FAS the same way as was previously recorded in FAS.

DAFR0182 & DAFR0168 Reports

- ▶ FAS reports by fund & asset class. These reports include all capitalized assets that the State manages & maintains having a value of \$5,000 or more.
- ▶ These assets will be posted to the STARS General Ledger accounts.

DAFR0168

DAFR0168 1 000 CAFR 60 230 PY ORG(1) BU(0) FN(1) S1(ALL) S2(ALL) *****AGCY NUMBER 230
07/16/12 (19:14) CYCLE 05855 PM OPEN PP OPEN PY OPEN FICHE: 230 RUN DATE= 07/16/12 TIME= 19:33:12 VERSION 3.1 FAS

DEPARTMENT OF CORRECTION (230)
CAPITALIZED ASSETS BY FUND TYPE, FUND, ASSET CLASS AND BUDGET UNIT
REPORT PERIOD= FISCAL YEAR 12

*****PAGE 162

FUND TYPE : G
FUND : 0001 GENERAL FUND 67-12
ASSET CLASS: 1000 - 6999 MACHINERY EQUIPMENT AND OTHER

PROP NO	COMP	DESCRIPTION	USE D LIFE M OWN	BEG BAL	ADJ BEG BAL	INCREASE	DECREASE	END BAL
CMS266399	-00	MILENIUM R/O DIALYSIS MACHINE	12 A	6,112.65	.00	.00	.00	6,112.65
CMS266400	-00	FRESINIUS K2 DIALYSIS MACHINE	12 A	13,753.47	.00	.00	.00	13,753.47
CMS278997	-00	DIALYSIS MACHINE	12 A	14,560.00	.00	.00	.00	14,560.00
CMS278997	-01	MILLENIUM70 RTN OSMOSIS	12 A	7,829.00	.00	.00	.00	7,829.00
CMS283804	-00	DENTAL CART	12 A	5,502.00	.00	.00	.00	5,502.00
CMS283813	-00	2010 CLUB CAR CARRYALL	12 A	11,603.39	.00	.00	.00	11,603.39
CMS283817	-00	DENTAL CHAIR MODEL 6200	12 A	5,070.70	.00	.00	.00	5,070.70
CMS283818	-00	PRO CART II MOBILE TREATMENT C	12 A	7,446.60	.00	.00	.00	7,446.60
WATERTOWER	-00	REPEATER	5 A	7,119.26	.00	.00	.00	7,119.26
0000001113	-06	PRIMARY GENERATOR	13 A	328,638.33	.00	.00	.00	328,638.33
0000001147	-02	REC ENCLOSURE MATERIAL	30 A	43,788.05	.00	.00	.00	43,788.05
0000001159	-05	INTERCOM SYSTEM ISCI	13 A	8,496.00	.00	.00	.00	8,496.00
0000001164	-05	INTERCOM SYSTEM ISCI	13 A	8,496.00	.00	.00	.00	8,496.00
0000020984	-01	BASE CONSOLE O R BACON	7 A	7,318.00	.00	.00	.00	7,318.00
0000059188	-00	SHIRT PRESS	7 A	5,000.00	.00	.00	.00	5,000.00
0000117293	-01	WEIGHT SET UNIVERSAL	5 D A	5,000.00	.00	.00	5000.00	.00
0000118856	-00	FREEZER WALK IN	13 A	5,000.00	.00	.00	.00	5,000.00
0000118857	-00	FREEZER WALK IN	13 A	5,000.00	.00	.00	.00	5,000.00
0000121746	-00	LATHE METAL	10 A	10,000.00	.00	.00	.00	10,000.00
0000129129	-00	ORGAN HAMMOND	7 A	8,000.00	.00	.00	.00	8,000.00
0000133402	-00	BACKHOE TRACTOR	7 A	26,000.00	.00	.00	.00	26,000.00
0000139588	-00	U-GYM 6 MAN	5 A	6,975.00	.00	.00	.00	6,975.00
0000139922	-00	FREEZER WALK-IN DALTON	13 A	6,000.00	.00	.00	.00	6,000.00
0000141557	-01	RACK 42 BAYS INTERLAKE	5 A	12,000.00	.00	.00	.00	12,000.00
0000141583	-01	FORKLIFT PROPANE CLARK	7 A	15,000.00	.00	.00	.00	15,000.00
0000141584	-01	FORKLIFT ELECTRIC CROWN	7 A	16,695.00	.00	.00	.00	16,695.00
0000141586	-01	JACK PALLET ELECTRIC PRIME MOV	5 A	5,000.00	.00	.00	.00	5,000.00
0000143943	-00	GYM UNIVERSAL PARAMOUNT	5 A	5,000.00	.00	.00	.00	5,000.00
0000145161	-00	CRAWLER TRACTOR/ANGLE DOZER	7 A	10,000.00	.00	.00	.00	10,000.00
0000148097	-00	OPERATORY DENTAL ADEC	12 A	16,000.00	.00	.00	.00	16,000.00
0000148098	-00	OPERATORY DENTAL ADEC	12 A	16,000.00	.00	.00	.00	16,000.00
0000148106	-00	TABLE X-RAY TRANSWORLD	12 A	10,000.00	.00	.00	.00	10,000.00
0000148107	-00	COLLIMATOR X-RAY TRANSWORLD	12 A	10,000.00	.00	.00	.00	10,000.00
0000150478	-00	RANGE GRILL US RANGE	10 A	5,000.00	.00	.00	.00	5,000.00
0000150491	-00	OVEN BAKERY LARGE	10 A	38,000.00	.00	.00	.00	38,000.00
0000151220	-00	UMF MEDICAL EXAM TABLE	12 A	14,000.00	.00	.00	.00	14,000.00
0000151713	-00	X-RAY BUCKY TRANSWORLD	12 A	10,000.00	.00	.00	.00	10,000.00
0000152308	-00	FRIALATOR DOUBLE PITCO	10 A	5,108.00	.00	.00	.00	5,108.00
0000152475	-00	HOOD ASSEMBLY GAYLORD	10 A	7,500.00	.00	.00	.00	7,500.00
0000152607	-00	MACHINE UNIVERSAL UNIVERSAL	5 A	6,000.00	.00	.00	.00	6,000.00
0000154729	-00	1999 FORD TAURUS 4DR BLUE	5 A	14,089.00	.00	.00	.00	14,089.00
0000172805	-00	SERVER	5 A	9,164.00	.00	.00	.00	9,164.00
0000173789	-00	ROLLER DOUGH ANETS	10 A	8,800.00	.00	.00	.00	8,800.00
0000175057	-00	X-RAY PANOREX PANARAMIC PROLIN	12 A	18,240.00	.00	.00	.00	18,240.00
0000175067	-00	XRAY GX770 DENTAL BITEWING	12 A	6,000.00	.00	.00	.00	6,000.00
0000175132	-00	FRON END LOADER	7 A	8,000.00	.00	.00	.00	8,000.00
0000178453	-00	TELEVISION CLOSED CIRCUIT	10 A	21,424.00	.00	.00	.00	21,424.00
0000178511	-00	HOBART H-600T MIXER	5 A	9,975.00	.00	.00	.00	9,975.00
0000178514	-00	GROEN STEAM KETTLE	5 A	8,288.00	.00	.00	.00	8,288.00
0000178519	-00	SPEED QUEEN WASHER	7 A	5,855.00	.00	.00	.00	5,855.00

Capital Asset Memorandum

- ▶ A memorandum will be e-mailed in **July** as soon as the fiscal year end DAFR0168 is available to view online (on or around **July 20**).
- ▶ If your agency is on FAS, then you must review the DAFR0168 in order to complete the Capital Asset Questionnaire.

Important FAS Transactions Dates

- ▶ **May 1 to June 30** – Closely monitor the FAS Hold File
- ▶ **June 23** – Recommended last day to request FAS FY16 corrections or changes (i.e., inactivates)
- ▶ **June 23** – Transactions released from the Hold File may process incompletely past this date
 - However, keep working the FAS Hold File until the close of business on June 30
- ▶ **June 30** – All FY16 FAS Hold File transactions should be processed, if at all possible

Capital Assets - Reconciliation Process for FYE

- ▶ Reconcile DAFR0168 beginning balances with ending balances as reported in your prior year closing package
- ▶ Review the increase & decrease columns on the DAFR0168

07 – Capital Asset Questionnaire

- ▶ Must complete this questionnaire if agency capital assets individually are \geq \$5,000
- ▶ Two separate questionnaires
 - 7a – FAS
 - 7b – Non-FAS
- ▶ Questionnaire will direct you to the appropriate Capital Asset closing package forms your agency needs to complete & submit (12a, 12b, 12c, 12d, & 13)
- ▶ ***Due Monday, July 25*** – After DAFR0168 is available

07a – Capital Asset Questionnaire

For FAS Agencies

1. For your agency as a whole, is the FYE DAFR0168 within +/- \$50,000 of capturing all capital assets? Verify both the beginning balance on the DAFR0168 compared to the prior fiscal year's reported ending balance and the reporting fiscal year's ending balance compared to internal inventories of capital assets.

Note: Assets that your agency is leasing (capital or operating leases) should not appear on the DAFR0168 as capital assets. The value of any leased assets appearing on your agency's DAFR0168 needs to be considered when determining if the DAFR0168 is within +/- \$50,000 of being correct.

☐ Yes ☐ No

Yes – Go to question #2.

No – Complete the 12a Capital Assets and 12b Capital Assets Depreciation and Amortization closing packages. List the fund number(s) for which you will be submitting 12a and 12b closing packages. Go to question #2.

Fund Number(s):

07a – Capital Asset Questionnaire

3. If your answer to one or both of the following questions is "yes" please mark "Yes."

- a. Did your agency receive (via donation or gift) or purchase assets from another fund or state agency (excluding Department of Administration, Division of Public Works projects) during the fiscal year that was over the \$5,000 threshold for capital assets?
- b. Did your agency give (via donation or gift) or sell assets to another fund or state agency during the fiscal year that was over the \$5,000 threshold for capital assets?

☐ Yes ☐ No

Yes to a. – Please provide the following information about each transaction in the Comments box:

- 1. Name of the other state agency
- 2. FAS Property number of the asset
- 3. FAS TC used

Yes to b. – Please provide the following information about each transaction in the Comments box:

- 1. Name of the other state agency
- 2. FAS Property number of the asset
- 3. FAS TC used

Go to question #4.

No – Go to question #4.

07a – Capital Asset Questionnaire

For FAS Agencies

6. Did your agency receive a Project Completion Statement from the Department of Administration, Division of Public Works (DPW) during the fiscal year?

☐ Yes ☐ No

Yes – Attach a copy of the Project Completion Statement spreadsheet provided by the Department of Administration, DPW. Make all of the following additions to the spreadsheet next to each project:

1. Identify whether or not your agency recorded the transfer in of a capital asset for the completed project.
2. If your agency recorded the transfer in of a capital asset, identify the FAS property number and FAS TC used.
3. If your agency treated the project differently than DPW explain your reasons for doing so. Examples of different treatment are:
 - a. DPW designated the project CIP because they determined the project would be a capital asset upon completion, but your agency decided not to capitalize the project
 - b. DPW expensed the project but your agency decided to capitalize the project

If your agency did not record all completed DPW projects in FAS that your agency wanted to capitalize before the fiscal year end and those omissions cause your DAFR0168 to not be correct within +/- \$50,000 for your agency as a whole, please make sure that you answered “No” to question #1 above. Go to question #7.

No – Go to question #7.

Attach a copy of the DPW Project Completion Statement spreadsheet, with the requested additions next to each project

07b – Capital Asset Questionnaire

For Non-FAS Agencies

3. Did your agency receive a Project Completion Statement from the Department of Administration, Division of Public Works (DPW) during the fiscal year?

☐ Yes ☐ No

Yes – Attach a copy of the Project Completion Statement spreadsheet provided by the Department of Administration, DPW. Make all of the following additions to the spreadsheet next to each project:

1. Identify whether or not your agency capitalized the project.
2. If your agency treated the project differently than DPW explain your reasons for doing so. Examples of different treatment are:
 - a. DPW designated the project CIP because they determined the project would be a capital asset upon completion but your agency decided not to capitalize the project
 - b. DPW expensed the project but your agency decided to capitalize the project

Go to question #4.

No – Go to question #4.

Attach a copy of the DPW Project Completion Statement spreadsheet, with the requested additions next to each project

12 – Capital Assets

- ▶ The State must report its net capital assets on the financial statements
- ▶ The State must disclose capital assets by major asset class

Capital Assets – Four Closing Packages

- ▶ 12a Capital Assets
 - Reporting threshold
 - \$5,000 per tangible capital asset
 - \$200,000 per intangible capital asset
- ▶ 12b Capital Assets – Depreciation & Amortization
 - Should follow the 12a
- ▶ 12c Capital Assets – Noncapitalized Collections of Art, Historical Treasures, etc.
- ▶ 12d Capital Assets – Disposals

All Due Thursday, July 28

12a Capital Assets

Due Date: July 28

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

Approved by (Approver):

Job Title:

Phone:

Date:

Select here if this is a continuation of an already submitted Closing Package:

Main ☒

Property Class	Beginning Balance	Adj. to Beg. Bal. (Prior Year)	Current Fiscal Year Increases or Additions (Do not net with decreases/disposals)	Current Fiscal Year Decreases or Disposals (Do not net with increases/additions)	Current Fiscal Year Ending Balance
Land and Land Use Rights, Nondepreciable / Nonamortizable	0	0	0	0	0
Land Use Rights, Amortizable	0	0	0	0	0
Buildings and Building Improvements	0	0	0	0	0

Intangible Assets

COMPLETING THE 12a CAPITAL ASSETS Closing Package Form

1. Complete the header information.
2. Verify amounts by comparing the DAFR0168 beginning balance and the prior-year closing package ending balance.
3. The **beginning balance** should equal last year's ending balance.
4. If the beginning balance is different than what you need to report, enter the difference in the **adjustment to beginning balance** column. The adjustment to beginning balance column is for *prior year* transactions that have not processed in FAS. **DO NOT INCLUDE FY 14 INCREASES/DECREASES IN THIS COLUMN.** Any amounts in this column need to be explained in detail either in the Comments box or in an attached document; include information such as the purchase/disposal amount, date of purchase/disposal, and useful life. Very detailed records need to be kept at the agency level to support any changes.
5. Enter the amount of **current fiscal year increases or additions** per asset category. If any increases are due to assets completed by DPW, list the DPW project number in the Comments box. (Do not net with decreases or disposals.)
6. Enter the amount of **current fiscal year decreases or disposals** per asset category. (Do not net with increases or additions.)
7. Enter the **current fiscal year ending balance**, which is the sum of beginning balances plus/minus adjustments to beginning balances, plus increases, less decreases.
8. If reporting any intangible assets on this form, please fill out and attach the [Intangible.xlsx](#) spreadsheet.
9. If any new assets were transfers or purchases of assets from another fund, state agency, or discretely presented component unit, please provide the following information about the transaction in the Comments box:
 - The transferring fund number, name of the other state agency, or the name of the discretely presented component unit
 - The property class
 - The historical cost of the asset

FY16 - Intangible Assets - Detail								
		Current Fiscal Year Increases or Additions - Please split expenses according to the Expenditure Subobjects used to pay them.						
Asset Class Asset Type	Beginning Balance July 1, 2015 (Reported as FY15 Ending Balance June 30, 2015)	Adj. to Beg. Bal. (Prior Year)	CAPITAL OUTLAY (Exp Subobject Series 6000)	OPERATING EXPENSES (Exp Subobject Series 5000)	PERSONNEL COSTS (Exp Subobject Series 4000) for Internally Generated Intangible Assets	Assets moved from prior year reported construction in progress	Current Fiscal Year Decreases or Disposals	FY16 Ending Balance June 30, 2016
Land and Land Use Rights, Nondepreciable/Nonamortizable								
Water Rights								
Mineral Rights								
Timber Rights								
Rights-of-Way								
Easements/Permanent Indefinite								
Land Use Rights, Amortizable								
Water Rights								
Mineral Rights								
Timber Rights								
Rights-of-Way								
Easements with a Finite Life								
Machinery, Equipment, & Other								
Patents								
Trademarks								
Copyrights								
Software								

12b Capital Assets - Depreciation and Amortization

Due Date: July 28

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:
140

Name of Agency:
State Controller's Office

Current Status:
Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

05/04/2016

Approved by (Approver):

Job Title:

Phone:

Date:

05/04/2016

Select here if this is a continuation of an already submitted Closing Package: Main



Property Class	Beginning A/D Balance	Adjustment to A/D Balance (Prior Year)	Current Fiscal Year Increases/ Deprec. Exp	Current Fiscal Year Decreases or Disposals	Current Fiscal Year Ending A/D Balance
Accum Amortization of Land Use Rights	0	0	0	0	0
Accum Depreciation Buildings and Building Improvements	0	0	0	0	0
Accum Depreciation Improvements Other Than Buildings	0	0	0	0	0
Accum Depreciation Machinery, Equip, and Other Capital Assets	0	0	0	0	0

12d Capital Assets - Disposals

Due Date: July 28

At June 30, 2015

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

05/07/2015

Approved by (Approver):

Job Title:

Phone:

Date:

05/07/2015

Select here if this is a continuation of an already submitted Closing Package:

Main



Property Class	Historical Cost of Asset (HC)	Total Accumulated Depreciation (A/D)	Book Value (BV) HC - A/D = BV	Proceeds Received upon Disposal	Gain (Do Not Net)	Loss (Do Not Net)
Land and Land Use Rights, Nondepreciable/Nonamortizable						
(Disposals w/ Gain)						
(Disposals w/ Loss)						
(Disposals w/NO Gain or Loss)						
Land Use Rights, Amortizable						
(Disposals w/ Gain)						
(Disposals w/ Loss)						
(Disposals w/NO Gain or Loss)						
Buildings and Building Improvements						
(Disposals w/ Gain)						

12d Capital Assets - Disposals

Property Class	Historical Cost of Asset (HC)	Total Accumulated Depreciation (A/D)	Book Value (BV) HC - A/D = BV	Proceeds Received upon Disposal	Gain (Do Not Net)	Loss (Do Not Net)
Buildings and Building Improvements						
(Disposals w/ Gain)	\$10,000.00	\$7,000.00	\$3,000.00	\$5,000.00	\$2,000.00	
(Disposals w/ Loss)	\$10,000.00	\$7,000.00	\$3,000.00	\$0.00		\$3,000.00
(Disposals w/NO Gain or Loss)	\$10,000.00	\$10,000.00	\$0.00	\$0.00		

- ▶ Do NOT have to do for every individual asset
- ▶ Combine assets that have a Gain, Loss, or NO Gain & Loss
 - Within those categories
 - Within the same asset class

13 – Capital Assets in Progress

► Includes:

- Construction in Progress (CIP)
 - Report if CIP is $\geq \$50,000$ for your agency as a whole & the final cost of each completed asset will be $\geq \$5,000$
- Intangible Assets in Development;
 - Report if the final cost of the completed asset will be $\geq \$200,000$

► Capital Assets in Progress equals the total costs of assets which are self-constructed/developed & will qualify as a capital asset up on completion

► Also includes all ancillary costs

13 Capital Assets in Progress
GL 1810

Due Date: July 28

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:
140

Name of Agency:
State Controller's Office

Current Status:
Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

05/04/2016

Approved by (Approver):

Job Title:

Phone:

Date:

05/04/2016

Select here if this is a continuation of an already submitted Closing Package: Main

Fiscal year 2016 Construction/Development expenses incurred - Please split expenses according to the Expenditure Subobjects used to pay them.							
Beginning Balance Capital Assets in Progress (+)	Adjustment to Beginning Balance (Prior Year) (+/-)	Capital Outlay (Exp Subobject Series 6000) (+)	Operating Expenses (Exp Subobject Series 5000) (+)	Personnel Costs (Exp Subobject Series 4000) for Internally Generated Intangible Assets (+)	Project Completed in Fiscal Year 2016 and Reclassified as a Capital Asset (-)	Ending Balance Capital Assets in Progress (=)	Projected Remaining Costs to Complete Project
0.00	0.00	0.00	0.00	0.00	0	0.00	\$0.00
0.00	0.00	0.00	0.00	0.00	0	0.00	\$0.00
0.00	0.00	0.00	0.00	0.00	0	0.00	\$0.00
0.00	0.00	0.00	0.00	0.00	0	0.00	\$0.00
0.00	0.00	0.00	0.00	0.00	0	0.00	\$0.00

Attach a reconciliation of amounts reported in the Adjustment to Beginning Balance column.

Please specify the expenditure subobject with corresponding amount for amounts shown in the Operating and Personnel costs columns above.

Due Thursday, July 28

Review Questions

Review Question #16

Making sure FAS is accurate before fiscal year end ensures:

- a) Inventory is correct
- b) My boss will be impressed
- c) Closing packages #12a & #12b – Capital Asset Summary Form & Depreciation and Amortization will not need to be submitted
- d) All assets are accounted for
- e) Both C & D

Review Question #17

If I use a prior year transaction code to add an asset to FAS after fiscal year end close in July or August, FAS will be updated & I do not need to report the asset on a Closing Package #12a – Capital Asset Summary Form.

- ▶ True
- ▶ False

Review Question #18

If DPW is working on a Construction in Progress project for your agency, when is it appropriate to capitalize the asset?

- a) When we feel that the asset is “in use”
- b) When we receive the Certificate of Substantial Completion
- c) After we receive a Project Completion Statement, using an in-service date on or after DPW’s project completion date
- d) Any of the above
- e) None of the above

19 - Schedule of Expenditures of Federal Awards (SEFA)

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The Code of Federal Regulations (CFR) annual edition is the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the Federal Government. It is divided into 50 titles that represent broad areas subject to Federal regulation. The 50 subject matter titles contain one or more individual volumes, which are updated once each calendar year, on a staggered basis. The annual update cycle is as follows: titles 1-16 are revised as of January 1; titles 17-27 are revised as of April 1; titles 28-41 are revised as of July 1; and titles 42-50 are revised as of October 1. Each title is divided into chapters, which usually bear the name of the issuing agency. Each chapter is further subdivided into parts that cover specific regulatory areas. Large parts may be subdivided into subparts. All parts are organized in sections, and most citations to the CFR refer to material at the section level. [About the Code of Federal Regulations \(annual edition\).](#)

Choose Year

- | | |
|---|---|
|  Title 1 - General Provisions | PDF Text XML More |
| Parts 1 - 500. January 1, 2016. | |
|  Title 2 - Grants and Agreements | PDF Text XML More |
| Parts 1 - 5999. January 1, 2016. | |
| Toc - Table Of Contents | |
|  Subtitle A - Office of Management and Budget Guidance for Grants and Agreements (Parts 1 - 299) | PDF XML More |
| Toc - Table Of Contents | |
|  Chapter I - OFFICE OF MANAGEMENT AND BUDGET GOVERNMENTWIDE GUIDANCE FOR GRANTS AND AGREEMENTS (Parts 2 - 199) | PDF XML More |
|  Chapter II - OFFICE OF MANAGEMENT AND BUDGET GUIDANCE (Parts 200 - 299) | PDF XML More |
|  Part 1 - ABOUT TITLE 2 OF THE CODE OF FEDERAL REGULATIONS AND SUBTITLE A | PDF XML More |
|  Subtitle B - Federal Agency Regulations for Grants and Agreements (Parts 300 - 5999) | PDF XML More |

19 – SEFA

Objective:

- ▶ To gather information about expenditures of federal awards in order to prepare a statewide SEFA & the associated notes
- ▶ To gain assurance from agency's management (through the Federal Assistance Certification form) that they have complied with the requirements of the "Super Circular"

19 – SEFA

Complete this closing package if your agency:

- ▶ Receives grant funds directly from the federal government (i.e., *primary recipient*) & expends those funds directly on a federal program
- ▶ Receives grant funds directly from federal government (i.e., *primary recipient*) & disburses (i.e., subgrants) those funds to another entity
- ▶ Receives a subgrant (i.e., *subrecipient*) of federal funds from a nonfederal agency & expends those funds on a federal program

Non-federal entities receiving federal financial assistance must prepare a SEFA for the period covered by the entity's financial statements per 2 CFR 200.510 of the "Super Circular". State agencies receiving federal financial assistance must prepare a SEFA for the State's fiscal year and complete the Federal Assistance Certification, which is a statement of compliance with the requirements of the "Super Circular" - per [GPO e-CFR](#).

At a minimum the SEFA shall:

- a. Listing of individual federal programs by federal agency
- b. For clusters of programs, listing of individual federal programs within the cluster
- c. For research and development, total federal awards expended must be shown either by individual federal award or by federal agency and major subdivision within the federal agency
- d. For federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included
- e. Totals must be included for each individual federal program, for the CFDA number and for each cluster of programs
- f. The total amount provided to subrecipients from each federal program must be included

As applicable, the following must also be either attached to the SEFA Closing Package or disclosed in the Comments Box:

- The total outstanding loan balance at the end of the fiscal year for federally guaranteed loans
- The amount of interest subsidy funds received and administrative costs reimbursed during the fiscal year for federal interest subsidies
- The amount of insurance in effect during the fiscal year from a federal insurance program

DEFINITIONS

CFDA Number - A five-digit number assigned to a federal program in the Catalog of Federal Domestic Assistance (CFDA). [Click here for the CFDA](#). This number is usually found in the application for a federal award or in the award agreement. The first two digits identify the federal awarding agency.

Commodities - Food and other products provided by a federal agency for distribution. Commodities are valued at fair market value at the time of receipt or the assessed value provided by the federal awarding agency.

Federal Assistance Certification

This is a required form and must be read and signed electronically (or by hand) by the agency primary fiscal staff member and agency head. See General Instructions above.

Schedule of Expenditures of Federal Awards (SEFA)

An agency-developed spreadsheet or other documentation may be submitted in lieu of this part of the closing package if all required information is included. **Due to the American Recovery and Reinvestment Act (ARRA), the State must separately identify the expenditures for federal awards under the ARRA on the SEFA. Please keep this in mind while preparing the SEFA.**

SEFA Template

Click here for the [SEFA template](#). Please "save" the file and then open the saved file in Excel.

Complete agency information at the top of the form. **Round all dollar amounts to the nearest whole dollar.**

SEFA Template

[illegible]

The screenshot shows a table with the following structure:

SEFA					
28					
29					
30					
31					

A red arrow points to the 'SEFA' column header. The table is located in the 'Fed Awards Provided to Subs' section of the 'SEFA' table.

SEFA Template

[illegible]

Prior submission attachment – Rename file to something other than “CP 19 SEFA.xls”

Closing Package 19
Federal Awards Provided to Subrecipients
For the fiscal year ended June 30, 2016

Agency Code:		Agency Name:			
1	2	3	4	5	6
Name of Subrecipient	CFDA Number	CFDA Federal Program Title	FY 2016 Federal Award Amount	FY 2016 State Award Amount	Total
					-
					-
					-
					-
					-
					-

10					
11					
12					
13					
14					
15					
▶	SEFA	<div style="border: 2px solid red; border-radius: 50%; padding: 5px; display: inline-block;"> Fed Awards Provided to Subs </div>			⊕



19 – SEFA

19 Schedule of Expenditures of Federal Awards

Due Date: August 10

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Prepared by (Originator):

Job Title:

Phone:

Date:

05/05/2016

Approved by (Approver):

Job Title:

Phone:

Date:

05/05/2016

Select here if this is a continuation of an already submitted Closing Package:

Main



Agency DUNS Number

Totals

Award Expenditures Cash

Basis

State Fiscal Year-End June 30,
2016

Value of Non-cash Awards

State Fiscal Year-End June 30,
2016

If your agency received any of the following types of assistance, please report them (these are rare):

FEDERALLY GUARANTEED LOANS

CFDA Number

CFDA Federal Program Title

Federal Awarding Agency

☐ Primary Recipient

☐ Subrecipient

If Subrecipient, Name of the Pass-through Agency

Total Outstanding Loan Balances at End of the Fiscal Year

FEDERAL INTEREST SUBSIDIES

CFDA Number

CFDA Federal Program Title

Federal Awarding Agency

☐ Primary Recipient

☐ Subrecipient

If Subrecipient, Name of the Pass-through Agency

Amount of Interest Subsidy Funds Received During the Fiscal Year

Amount of Administrative Costs Reimbursed During the Fiscal Year

Total for Federal Interest Subsidies

FEDERAL INSURANCE PROGRAMS

CFDA Number

CFDA Federal Program Title

Federal Awarding Agency

☐ Primary Recipient

☐ Subrecipient

Federal Assistance Certification Form

- ▶ Read & signed (electronically or by hand) by **both**
 - Agency primary fiscal staff member **AND**
 - Agency head
- ▶ Form can be submitted in one of three ways
 - Electronically with Closing Package #19 – SEFA, **OR**
 - Send hardcopy directly to the SCO, Bureau of Reporting & Review, **OR**
 - Scan & attach to Closing Package #19 - SEFA (be sure to keep the original for auditor verification purposes)

FEDERAL ASSISTANCE CERTIFICATION FOR

140 State Controller's Office

FISCAL YEAR 2016

**The Honorable Brandon D Woolf
State Controller
700 W. State Street
P.O. Box 83720
Boise, ID 83720-0011**

We certify that, to the best of our knowledge and belief, the following statements are true:

- 1. Agency management is responsible for complying and has complied with the requirements of the "Super Circular", *Audits of States, Local Governments, and Non-Profit Organizations*.**
- 2. Management has complied with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of its federal programs.**
- 3. Management has established and maintains effective internal controls that provide reasonable assurance that the agency is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on its federal programs.**
- 4. Management has provided the Office of the State Controller an accurate and complete schedule of expenditures of federal awards in accordance with "Super Circular" and has included expenditures made during the period being audited for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.**
- 5. Management has identified and disclosed to the auditor:**
 - The requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each federal program**
 - All amounts questioned and any known noncompliance with the requirements of federal awards, including the results of other audits or program reviews**
- 6. Management has complied, in all material respects, with the compliance requirements in connection with federal awards. Management has provided copies of interpretations of any compliance requirements that have varying interpretations.**

The undersigned attests to agency compliance and understanding of all aspects of Certification.

Agency Primary Fiscal Staff Member (signature)

Date

Sign Electronically



Printed Name

The undersigned attests to agency compliance and understanding of all aspects of Certification.

Agency Head (signature)

Date

19 – SEFA

- ▶ NO materiality reporting threshold
- ▶ Due Wednesday, August 10

Due Wednesday, Aug. 10

Review Questions

Review Question #19

Closing Package #19 - SEFA has to be completed:

- a) By all agencies
- b) If your agency receives any kind of federal awards, directly from federal awarding agencies or from pass-through entities
- c) Within sixty days of year-end
- d) Only if you are bored & have nothing better to do

Review Question #20

The Federal Assistance Form needs to be signed by:

- a) The Agency Fiscal Staff Member
- b) The Tax Preparer
- c) The Agency Head
- d) Both a & c

11 – Loans & Notes Receivable

Report:

- ▶ Loans & notes receivable
- ▶ Interest receivable
- ▶ Allowance for uncollectible receivables

Do not report:

- ▶ Accounts Receivable (CP#17)
- ▶ Grants Receivable (CP#18)

11 Loans and Notes Receivable
GL 1305, 1306, 1309, 1310, 1325

Due Date: July 14

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

04/28/2016

Approved by (Approver):

Job Title:

Phone:

Date:

04/28/2016

Select here if this is a continuation of an already submitted Closing Package: Main

Current Year Total:

***For EACH Fund:** Amount of the receivables (principal portion only) due within one year (by 6/30/17)

Amount of the receivables (principal portion only) due beyond one year (after 7/1/17)

Post-June 30th interest amounts are not needed.

Amount of receivables deemed uncollectible (principal portion only) due beyond one year (after 7/1/17)

Total Amount of Principal Balance Reported in Prior Year's Closing Package 0

(If prior year amount differs from current year by 10% and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the comment section).

Recalculate Variance

Variance:

0

Difference in %:

0

Difference in amount:

0

Did the agency charge the borrower any origination fees or costs during the fiscal year? If so, please provide the amount of the fees.

☐ Yes ☐ No

Charge Origination Fees?

Did the agency receive any points in relation to loan origination during the fiscal year? If so, please provide the amount received for points.

☐ Yes ☐ No

Receive Points?

Did the agency receive any commitment fees to originate a loan during the fiscal year? If so, was the commitment exercised or did the commitment expire unexercised? Please provide the amount(s) of the commitment fees received.

☐ Yes ☐ No

Commitment Fees to Originate?

Did the agency pay or receive any fees in the fiscal year related to the purchase of a loan or a group of loans? If so, note the total amount.

☐ Yes ☐ No

Fees Related to Purchase?

				Show Next Row	Remove Last Row
Original Date of Loan or Note	Description of Loan/Note	Revenue Subobject	Principal Balance At June 30	Interest Receivable Balance At June 30	Allowance For Uncollectible Receivables
			0	0	0
		Total	0	0	0

11 – Loans & Notes Receivable

- ▶ One closing package per fund
- ▶ \$50,000 threshold per fund
- ▶ Due Thursday, July 14

Contact: Chris Stratton

15 – Unearned Revenue

What is Unearned Revenue?

What is Unavailable Revenue?

15 – Unearned Revenue

Report:

- ▶ Revenue received but not earned as of June 30.

Do not report:

- ▶ Revenue earned but not received within 60 days after June 30.

15 – Unearned Revenue

- ▶ Two closing packages
 - ▶ 15a – Unearned revenue
 - ▶ 15b – Grant advances

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

04/28/2016

Approved by (Approver):

Job Title:

Phone:

Date:

04/28/2016

Select here if this is a continuation of an already submitted Closing Package:

Main ▼

Current Year Total:

Total Amount Reported in Prior Year:

If prior year amount differs from current year by 10%, and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the Comments section.

Recalculate Variance

Variance:

Difference in %:

0

Difference in amount:

0

Show Next Row

Remove Last Row

Revenue
Sub Object

Unearned Amount

0

Total

\$0

15b Grant Advances

Due Date: August 1

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

04/28/2016

Approved by (Approver):

Job Title:

Phone:

Date:

04/28/2016

Select here if this is a continuation of an already submitted Closing Package: Main



Current Year Total:

Total Amount of Advances Reported in Prior Year:

\$0

If prior year amount differs from current year by 10%, and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the Comments section.

Recalculate Variance

Variance:

Difference in %:

0

Difference in amount:

0

				Show Next Row	Remove Last Row
Revenue Sub Object	Amount of Advance	Amount Expensed or Incurred	Remaining Balance	Was Grant Advance Restricted at June 30?	Was grant invested at June 30?
	0	0	0	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
Total:	\$0	\$0	\$0		

15 – Unearned Revenue

- ▶ One closing package per fund
- ▶ \$50,000 threshold per fund
- ▶ Due Monday, August 1

Contact: Chris Stratton

17 – Accounts Receivable

Report:

- Accounts Receivable
- Allowances for Uncollectible A/R
- Taxes Receivable
- Allowances for Uncollectible T/R

Do not report:

- Grant revenue (CP #18)
- Bond/note proceeds
- Refund proceeds
- Interest & other investment income

17 – Accounts Receivable

- ▶ Record unavailable revenue (deferred inflow of resources):
 - ▶ All eligibility requirements met except time
 - ▶ Cash not available within 60 days after June 30
 - ▶ Difference between reported receivable & revenue is unavailable revenue

17 – Accounts Receivable

Did the agency report as receivable any resources associated with imposed nonexchange revenue transactions?

☐ Yes ☐ No

If YES, did the agency report the resources as receivable prior to the period when the resources are required to be used or when use is first permitted per enabling legislation? If YES please describe the situation below (property (ad valorem) taxes; fines and penalties; and property forfeitures, such as seizures and escheats) and add amounts.

If YES, please mark the "Imposed Nonexchange Revenue" check box for each item after adding the receivable information into the table below.

--

17 – Accounts Receivable

Do you have any transactions that qualify as a sale of a receivable? If yes, in the box below, please provide the carrying value of the receivables at the time of sale, the proceeds received from the sale, and a brief explanation of the sale.

☐ y ☐ n

**Sale of
Receivables?**

A large rectangular box with a light red background and a thin blue border, used for providing details about the sale of receivables. It contains no text.

Do you have any transactions that pledge the receivables as collateral? If yes, in the box below, please provide the proceeds received, the amount of the collateralized debt, and a brief explanation of the transaction.

☐ y ☐ n

**Pledged
collateral?**

A large rectangular box with a light red background and a thin blue border, used for providing details about transactions that pledge receivables as collateral. It contains no text.

17 – Accounts Receivable

			Show Next Row	Remove Last Row	
Total Accounts Receivable Balance	Portion which is Revenue	Revenue Subobject	Portion which is Unavailable Revenue (Gov. funds only)	Total Allowance for Uncollectible Receivables	Imposed Nonexchange Revenue
0	0		0	0	<input type="checkbox"/>
\$0	\$0		\$0	\$0	

17 – Accounts Receivable

Accounts receivable include:

- ▶ Charges for goods or services
- ▶ Advances to non-state entities

One closing package per fund

\$50,000 threshold per fund

Due Monday, August 13

Contact: Chris Stratton

18 – Grants Receivable

Report:

- ▶ If primary recipient of award
- ▶ Reimbursement-type
 - ▶ Incurred grant expenses on or before June 30
 - ▶ No reimbursement until after June 30
- ▶ Gift-type
 - ▶ Few or no eligibility requirements (rare)

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

Approved by (Approver):

Job Title:

Phone:

Date:

Select here if this is a continuation of an already submitted Closing Package:

Main



Do you have any transactions that qualify as a sale of a receivable? If yes, in the box below, please provide the carrying value of the receivables at the time of sale, the proceeds received from the sale, and a brief explanation of the sale.

☐ y ☐ n*Sale of Receivables?*

Do you have any transactions that pledge the receivables as collateral? If yes, in the box below, please provide the proceeds received, the amount of the collateralized debt, and a brief explanation of the transaction.

☐ y ☐ n*Pledged collateral?*

Grant is: ☐ Federal ☐ Other (city/county/or outside state)

GRANT INFORMATION:

Total Amount Reported in Prior Year

\$0

\$0

(If prior year amount differs from current year by 10% and the change equals or exceeds \$100,000, please briefly explain the reason for the variance in the Comments section.)

Current Year Total : \$0.00

Recalculate Variance

Variance:

Difference in %:

0

Difference in amount:

0

Enter all grant receivable information into the following table. If a grant is a gift-type grant, check the 'Gift-Type Grant' box in the appropriate row.

In the table below, please note the following:

Reimbursement-type Grants: Amount of grant expenses incurred by June 30, and **NOT** reimbursed by June 30th.

Gift-type Grants: Balance of grant awards for which the agency is eligible but has not received by June 30th.

				Show Next Row	Remove Last Row
Gift-Type Grant	Total Grants Receivable Balance	Portion Which is Revenue	Revenue Subobject	Portion which is Unavailable Revenue (Gov. funds only)	Allowance for Uncollectible Receivables
<input type="checkbox"/> Yes	0	0		0	0
	Total				

Please provide the grants receivable balance that will <u>not</u> be collected within one year and a brief explanation in the Comments section	Allowance for uncollectible receivables for the grants to be collected after one year	Revenue Subobject
0	0	

Federal or Other Grant Type?

Gift-type Grant?

18 – Grants Receivable

- ▶ One closing package per fund
- ▶ \$50,000 threshold per fund
- ▶ Due Monday, August 15

Contact: Chris Stratton

Review Questions

Review Question #21

What is unearned revenue?

- a) When you have received cash but the earnings process is not complete within 60 days after the end of the fiscal year.
- b) Money won through the lottery.
- c) Revenue has been earned but the cash is not available within 60 days after the end of the fiscal year.
- d) None of the above.

Review Question #22

Unavailable Revenue affects which type(s) of funds?

- a) Proprietary
- b) Governmental
- c) Business-Type
- d) All of the above

Review Question #23

What types of grants are reported on Closing Package #18 – Grants Receivable?

- a) Reimbursement Type
- b) Gift Type
- c) Both A & B
- d) None of the above

14 – Interfund Payables

Report transactions of **\$5,000 or more** (including overpayments of \$5,000 or more) for the following obligations at June 30:

- ▶ Amounts owed by one **fund** to another for goods or services provided on or before June 30 but not paid until after June 30
- ▶ Grants payable by one **fund** to another – when a recipient has met eligibility requirements by June 30 but is not reimbursed or paid until after June 30.
- ▶ Distributions, required by Idaho Code, payable by one fund to another

14 – Interfund Payables

Separate closing packages are not needed for each fund number

14 Interfund Payables (Due To Other Funds)

Due Date: August 8

At June 30, 2016

Save & Exit

Save & Continue

Send Form to Approver

Agency Code:

140

Name of Agency:

State Controller's Office

Current Status:

Temporary

Fund Number:

Name of Fund:

Prepared by (Originator):

Job Title:

Phone:

Date:

04/29/2016

Approved by (Approver):

Job Title:

Phone:

Date:

04/29/2016

Select here if this is a continuation of an already submitted Closing Package: Main

Comments

List additional fund numbers in Comments box

14 – Interfund Payables

- ▶ Reports can be run in IBIS (State of Idaho Public Folders/Statewide Reports/Accounting/Interfund Reporting)
- ▶ Resolve questioned amounts with the billing agency before June 30
- ▶ SCO will e-mail the closing package (an Excel spreadsheet) to agencies the last part of July
- ▶ Transactions listed on the e-mailed report come from STARS - they will be interfund payables for goods & services only

Attach Interfund Payable Form to Electronic Interfund Payables Closing Package

THIS IS NOT A BILL AND DOES NOT AFFECT STARS ACCOUNTING

Due date: August XX, 20XX

FY 'XX Interfund Payables Form (#14) - GAAP Reporting - At June 30, 20XX

Date: MM/DD/20XX

For Agency: 140 - SCO

Attention: CLOSING PACKAGE ORIGINATOR

Paying Agency	Description	Billing Agency	Billing Fund	8-Digit Doc No. & 2-Digit Suffix	Revenue SubObj	Amount	Paying Fund	Expend SubObj	Will Not Be Paid In 1 Year	Amount Encumbered June 30
140	6/15Computer Services	140	0480	CSC17015	1545	5,918.62				
140	6/15Computer Services	140	0480	CSC17030	1545	5,918.62				
140	Jun 2015 Postal Feed	200	0450	16070858	1550	10,636.89				
140	6/15Computer Services	140	0480	CSC17032	1545	13,034.31				
140	6/15Computer Services	140	0480	CSC17013	1545	13,701.48				
140	6/15Computer Services	140	0480	CSC17081	1545	15,304.04				
Agency Total						\$64,513.96				

The above data has been recorded by the billing agency in the Statewide Accounting and Reporting System (STARS) and includes transactions less than \$(5,000) or greater than \$5,000. Additional rows may be added to this worksheet if necessary.

AGENCY ACTION REQUIRED: See online instructions for the Interfund Payables Closing Package.

Complete the following:

- (1) Paying Fund number(s)
- (2) Expenditure SubObject number(s)
- (3) Mark an X next to any amounts that will not be paid within the next year; and
- (4) Indicate the amount of the transaction that was encumbered.

Please add additional lines for any items requiring more than one line of coding.

Also add additional lines (rows) for interfund payables not shown on this report for:

- (1) Goods and services your agency received before June 30 that were not paid at June 30,
- (2) Grants payable where the recipient has met eligibility requirements at June 30, whether or not a claim has been submitted, and
- (3) Distributions payable from one fund to another that are mandated by Idaho Code.

Additional transactions should include complete coding including a description, billing agency, and if known, the billing fund and document number.

Any questions about the individual billings should be addressed directly to the billing agency. If any transactions from the report provided by the SCO are disputed by the paying agency after contacting the billing agency, please mark transactions as disputed and provide a brief explanation.

PLEASE ATTACH THE COMPLETED FORM to the electronic Interfund Payable Closing Package and submit by August XX, 20XX.

ADDITIONAL NOTE: Not all transactions with Colleges and Universities and Health Districts may appear on this form. Include complete information for College and University or Health District interfund payables not listed on this form. For Health District payables only, transactions using the same paying fund and expenditure subobject may be lumped together.

14 – Interfund Payables

- ▶ Inter**fund** payables include not only inter**agency** payables but also inter**fund** payables within your agency
- ▶ Due Monday, August 8

21 – Attestation Letter

- ▶ All agencies are required to submit
- ▶ Agency Management provides assurance:
 - ▶ General representations
 - ▶ Internal control structure
 - ▶ Financial management controls
 - ▶ Accounting systems controls
 - ▶ Statement of Compliance

21 – Attestation Letter

ATTESTATION LETTER FOR

FISCAL YEAR 2016

Agency Name

The Honorable Brandon D Woolf
State Controller
700 West State Street
P.O. Box 83720
Boise, ID 83720-0011

Agency management is responsible for the accuracy of the financial information submitted to you by our agency for inclusion in the 2016 statewide Comprehensive Annual Financial Report (CAFR). Agency management is also responsible for the effectiveness of the underlying internal control structure used to provide reasonable assurance that accurate accountability will be achieved.

Idaho Code, Section 67-1001(2) mandates the preparation of the CAFR. Agency management is providing this letter to the Office of the State Controller for the 2016 CAFR. The following representations about the information this agency has provided to you for preparation of the fiscal year 2016 CAFR are made to the best of our knowledge and belief.

GENERAL REPRESENTATIONS

1. Agency management will make all financial records and related data available to the auditors.
2. Agency management has no:
 - a. Knowledge of fraud involving (1) management, (2) employees who have significant roles in the internal control structure, or (3) others where the fraud could have a material effect on the agency's information recorded for inclusion in the CAFR.
 - b. Communications from federal agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a significant effect on the agency's information submitted for inclusion in the CAFR.
 - c. Knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
3. Agency management has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

INTERNAL CONTROL STRUCTURES

Internal Controls

The concept of reasonable assurance recognizes that the cost of management control should not exceed the benefits expected to be derived. The expected benefits consist of reductions in the risks of failing to achieve the stated objectives. Estimates and judgments are required to assess the expected benefits and related costs of control procedures. Errors or irregularities may occur and not be detected because of inherent limitations in any system of administrative and financial management control, including those limitations resulting from resource constraints, legislative restrictions, and other factors. **Necessary measures have been taken to assure that the evaluations have been conducted in a thorough and conscientious manner.**

Financial Management Internal Control Structure

The objective is to provide reasonable assurance that agency management encourages and promotes standards to enhance the following:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

The objectives of control over financial accounting provide reasonable assurance of the following:

1. Employee duties are segregated as may be necessary to assure the proper safeguarding of the State's assets.
2. Restrictions limit access to the State's assets to only those authorized persons in the performance of their assigned duties.
3. Adequate authorization and record keeping procedures have been established providing effective control over the assets, liabilities, revenues, and expenditures.
4. Agency personnel have the necessary competence and integrity for their assigned responsibilities.
5. The agency has implemented a process of internal review and has adjusted for changes in conditions.
6. Resources are utilized in compliance with applicable federal and state laws and regulations.
7. Obligations and costs are in compliance with applicable federal and state laws and regulations.
8. Funds held outside the State Treasury are managed, used, and obtained in accordance with the terms of their enabling authorities, and no unauthorized funds exist.

Financial Accounting Systems Internal Control Structure

Agency management is responsible for the financial systems' internal control structure and has used a variety of appropriate authoritative reference materials when considering and evaluating internal controls related to the computer environment. Examples include Control Objectives for Information and Related Technology (COBIT) and State and Local Governments - Audit and Accounting Guide, published by the AICPA.

As mentioned under "Internal Control Structures," the concept of reasonable assurance applies. This means that the cost to implement a control should not exceed its benefits, and absolute assurance that risks are controlled is not reasonable. Given the constraints of reasonable assurance, management has a duty to control agency exposure to risk by exercising appropriate due diligence.

Agency management's attestations in this letter encompass the computing environment for the following agency financial systems*:

***Note: Your agency is expected to attest to controls within your own computing environment. List ALL systems used to provide financial information included in the CAFR (e.g., STARS, accounts receivable, licensing, any systems that interface with STARS, etc.). Agencies that use STARS must list STARS as a system.**

Financial Systems

	System Title
System 1	
System 2	
System 3	
System 4	
System 5	
System 6	
System 7	
System 8	
System 9	
System 10	
System 11	



Brandon D Woolf
Office of the State Controller



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www.sco.idaho.gov → 'Accounting' → 'Internal Controls'

Internal Control Resources

The following tools have been provided on this site for your convenience when conducting internal control evaluations within your organizations. Usage of these specific checklists is not mandatory. We encourage all agencies to perform ongoing and periodic evaluations throughout the year.

File Type	Title	Pub. Date	Size
▼	Internal Controls		
▼	Financial Management Controls Checklists		
EXCEL	Accounting System (NASACT)	05/17/2013	315k
EXCEL	Budgets & Planning (NASACT)	05/17/2013	354k
EXCEL	Buy America Act (NASACT)	05/17/2013	234k
EXCEL	Capital Assets (NASACT)	05/17/2013	307k
EXCEL	Cash (NASACT)	05/17/2013	542k
EXCEL	Civil Rights (NASACT)	05/17/2013	193k
EXCEL	Control Environment (NASACT)	05/17/2013	297k
EXCEL	Davis-Bacon Act (NASACT)	05/17/2013	90k
EXCEL	Drug-Free Workplace (NASACT)	05/17/2013	254k
EXCEL	Financial Reporting (NASACT)	05/17/2013	447k
EXCEL	Grant Administration (NASACT)	05/17/2013	1015k
EXCEL	Investments (NASACT)	05/17/2013	282k
EXCEL	Payables (NASACT)	05/17/2013	341k
EXCEL	Personnel & Payroll (NASACT)	05/17/2013	465k
EXCEL	Receivables (NASACT)	05/17/2013	367k
EXCEL	Risk Assessment (NASACT)	05/17/2013	253k
▼	Other Internal Control Evaluation Resources		
EXCEL	AGA Toolkits	05/17/2013	1k
▼	Systems Management Controls Checklists		
EXCEL	Information Systems & Technology (NASACT)	05/17/2013	679k
EXCEL	System Interfaces w/ STARS (NASACT)	05/17/2013	231k

For Questions Please Contact cafr@sco.idaho.gov

21 – Attestation Letter

STATEMENT OF COMPLIANCE/ATTESTATION

1. The following were evaluated and completed by June 30, 2016, as mandated by the State Controller (authorized by *Idaho Code*, Section 67-1001):

- Financial management internal controls

☐ Yes ☐ No

- Financial accounting systems internal controls

☐ Yes ☐ No

A summary of the evaluation process and the results shall be made available for review by auditors from the Legislative Services Office.

Please describe in the Comments box below the method or checklist used for the evaluation and where a copy can be obtained.

Comments

Method or Checklist

21 – Attestation Letter

2. The internal control structure evaluation revealed material weaknesses:

☐ Yes ☐ No

If the evaluation revealed any material weaknesses please discuss the material weaknesses, the plan of action and proposed schedule to correct each weakness in the Comments box below.

Comments

Material Weaknesses

21 – Attestation Letter

How to submit:

- ▶ Send original hardcopy to SCO Reporting & Review (keep a **copy**), OR
- ▶ Scan & attach to the closing package (keep the **original**), OR
- ▶ Three required staff members sign **electronically**

The undersigned attests to agency compliance and understanding of the following aspects of the Attestation Letter: General Representation, Internal Control Structures (excluding the “Financial Accounting Systems” subsection), and Statement of Compliance/Attestation. The undersigned also attests that any changes or revisions to the text of this document from its original version (as presented by the Office of the State Controller) are described in the Comments box.

Electronic Signature

Agency Primary Fiscal Staff Member (signature)

Date

Sign Electronically

Printed Name

Electronic Signature Sequence

Have each staff person electronically sign the document in the following order:

- ▶ IT Manager (then they click 'Save Draft')
- ▶ Primary Fiscal Staff Member (then they click 'Send Form to Approver')
- ▶ Agency Head (then they click 'Send Form to Approver')

Electronic Signature Troubleshooting

Verify the following web browser settings are in place:

- ▶ Be sure to use an SCO compatible web browser (i.e., Internet Explorer versions 8, 9, 10, or 11)
- ▶ In an Internet Explorer web browser, go to the Tools menu & find 'Compatibility View'. Make sure no checkmark is in the 'Display intranet sites in Compatibility View' box.
- ▶ In an Internet Explorer web browser, go to the Tools menu & select 'Internet options'. Click on the 'Advanced' tab. Under the 'Browsing' section click the checkbox for 'Display a notification about every script error'.

22 – Subsequent Events

SUBSEQUENT EVENTS

To the best of our knowledge and belief, no events subsequent to June 30, 2016, have occurred that would require note disclosure in the CAFR. Reportable subsequent events are those with significant effects, including, but not limited to, the issuance of debt instruments, the filing or settlement of a lawsuit, notice of potential disallowed costs of a grant, and capital asset impairments due to natural disaster. Subsequent events with significant effects:

☐ **HAVE NOT Occurred**

☐ **HAVE Occurred**

If such events occurred after the end of the fiscal year, please provide details of the event in the following Comments box.

Comments

Subsequent Events

22 – Subsequent Events

Subsequent Event Examples:

- ▶ Effect on a financial statement user's opinion
 - ▶ Agency issued debt
 - ▶ Agency named in a lawsuit or settled any lawsuits
 - ▶ Grantor notified the agency of potentially disallowed costs
 - ▶ Agency suffered a capital asset impairment due to a natural disaster
-
- ▶ cafr@sco.idaho.gov

22 – Subsequent Events

- ▶ Due Thursday, October 20
- ▶ Signatures required:
 - ▶ IT manager (or appropriate management representative),
 - ▶ Primary fiscal staff member, &
 - ▶ Agency head

Review Questions

Review Question #24

Closing Package #14 - Interfund Payables includes the following transactions:

- a) Payables from one agency to another
- b) Payables from one agency to outside vendors
- c) Payables from one fund to another
- d) None of the above

Review Question #25

All closing packages have a \$50,000 threshold per fund.

- ▶ True
- ▶ False

Review Question #26

It is okay if the Closing Package #22 – Subsequent Events is submitted to the SCO during July or August.

- ▶ True
- ▶ False

Review Question #27

The Attestation Letter may be submitted by:

- a) Sending a hardcopy to Reporting & Review
- b) Submitting a closing package with the letter attached
- c) Submitting a closing package with electronic signatures
- d) Any of the above

Closing Package Training

- ▶ Questions?
- ▶ Evaluation form
- ▶ CPE

General CAFR Email: cafr@sco.idaho.gov